

# IDAHO EMPLOYMENT

A monthly newsletter of the Idaho Department of Labor



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## State Overview

### IDAHO'S UNEMPLOYMENT RATE INCREASES TO 5.2 PERCENT

*Labor force details for the state, labor market areas, counties, and cities can be found in State Table 1 on page 3. Details on Nonfarm Payroll Jobs can be found in State Table 2 on page 5.*

The seasonally adjusted unemployment rate for June 2002 was 5.2 percent, up two-tenths of a percentage point from May. Idaho's June unemployment rate was three-tenths of a percentage point above the 4.9 percent rate experienced one year ago. The June unemployment rate was below the national rate of 5.9 percent, which was up one-tenth of a percentage point from May.

Nationally, the number employed decreased by 0.9 million people between June 2001 and June 2002. This was a 0.7 percent decrease compared to a 0.8 percent increase in Idaho. Nationally, the number unemployed increased year-over-year by 30.3 percent compared to an 8.1 percent increase in Idaho. This large percentage increase in the nation's number of unemployed is reflected in the U.S. Department of Commerce's July 31 report, which states that the nation's Gross Domestic Product increased by 1.1 percent during the April-June, 2002 quarter. While this is positive growth, it was just half of the 2.2 percent increase expected by Wall Street economists.

Following significant decreases in April and May, the number of unemployed persons increased to 36,200 in June, up 2,000 from May. The number of employed persons increased by 2,000 to 654,700. These changes resulted in a *Civilian Labor Force* of 690,600 in June, up 4,000 from May 2002.

From one year ago, the number of persons employed increased by 5,700 and the number of persons unemployed increased by 2,700. As a result of these changes, the labor force increased by 8,400, up 1.2 percent from June 2001. Employment gains since June 2001 are forecast to have occurred in *Business Services*, *General Merchandise Stores*, *Health Services*, and *Local Government*.

The number of jobs in *Agriculture* in June is forecast to grow as demand for irrigators and field workers increases. Employment gains are also forecast in *Construction* in both the residential and commercial areas. The onset of the tourist season will bring additional jobs in the *Eating & Drinking Establishments*, *Hotels & Other Lodging Places*, and *Amusement & Recreation Services* sectors. The number of jobs in the *Business Services* sector grew as the demand for temporary summer workers increased. The number of jobs in the *Federal Government* sector is forecast to increase as the U.S. Forest Service and the U.S. Bureau of Land Management began to gear up for the fire season. It is also forecast that an increase in the number of jobs in *State & Local Government Administration* will continue to occur in cities and counties due to summer tourist and recreation activities.

Unfortunately, the number of new jobs could not keep up with the demand, therefore providing fewer job opportunities to youth looking for summer employment, a contributing factor to the increase in the unemployment rate. There are fewer job opportunities for summer employment

this year due to employer caution in hiring. Seasonal job losses also occurred in *State & Local Government Education* as most schools completed their 2001-2002 school year.

## AREA AND COUNTY LABOR FORCE

There were just moderate changes in the unemployment rates from May to June in Idaho's eight labor market areas (LMA) designated by the U.S. Bureau of Labor Statistics. The Idaho-Lewis LMA in North Central Idaho had the highest seasonally adjusted unemployment rate among the LMAs. It was 9.0 percent, up from 7.8 percent in May. There were 97 more unemployed persons in June than the previous month, but because this area has a very small labor force even a small numerical change in labor force status can have a strong effect on the unemployment rate.

The Bonneville LMA, comprised of the four Northeastern Idaho counties of Bingham, Bonneville, Butte, and Jefferson Counties, had the lowest unemployment rate at 3.6 percent. Agriculture is the foundation of this area's economy so normal seasonal increases in employment are expected. The state's most populated LMA is the Boise City Metropolitan Statistical Area (MSA). The area's June unemployment rate of 4.6 percent was unchanged from the previous month but higher than the 4.2 percent rate recorded in June 2001. Declines in the electronics industry plus slower than usual hiring of youth during the summer contributed to this increase.

Three Idaho counties experienced double-digit unemployment rates in June, up from two counties in May 2002 but down from four counties in June 2001. Clearwater County had an unemployment rate of 12.0 percent in June, up from 11.1 percent in May but down from 14.7 percent in June 2001. Adams County's rate of 11.8 percent was up from 11.1 percent in May but down from 14.4 percent in June 2001. Benewah County experienced a 10.5 percent unemployment in June 2002 compared to 9.1 percent in May and 9.7 percent in June 2001.

Two counties recorded unemployment rates below 3.0 percent in June 2002, down from six in May 2002 and five in June 2001: Madison at 1.8 percent, up from 1.5 percent in May but down slightly from 1.9 percent in June 2001, and Gooding at 2.9 percent, down from 3.2 percent in May and 3.4 percent in June 2001.

## AGRICULTURE

For June 2002, the state's agricultural employment is a mixed bag, influenced by a number of factors: the number of hired workers is up from last year; drought conditions exist throughout Southern Idaho; potato processors first reduced contract purchase amounts from Idaho growers, then reinstated a portion of those amounts; promising international trade opportunities have appeared; and the weather has been unpredictable.

The estimates for June's agricultural employment are up considerably from last year. Some of the increase is due to the fact that the Idaho Power Co. is not offering an energy "buy-back" program this year. Last year this program was offered due to predicted severe irrigation/hydroelectric stream flow shortages, and thousands of acres of land were taken out of production. Another reason for the increase is crop rotation practices as fallow land is being brought back into production. Finally, most agricultural commodity prices are higher than last year.

**Drought conditions.** As of July 26 this year, 15 Idaho counties had been declared to be under emergency drought conditions by the Idaho Department of Water Resources. All of these counties are in Southern Idaho and are dependent upon winter snow pack and reservoir fillage to sustain stream flow, irrigation, and fisheries. The counties are noted on the map (see page 3).

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***jhyer@jobservice.us***

*or to the Regional Labor Economists noted in each area news section.*

**DIRK KEMPTHORNE, GOVERNOR**

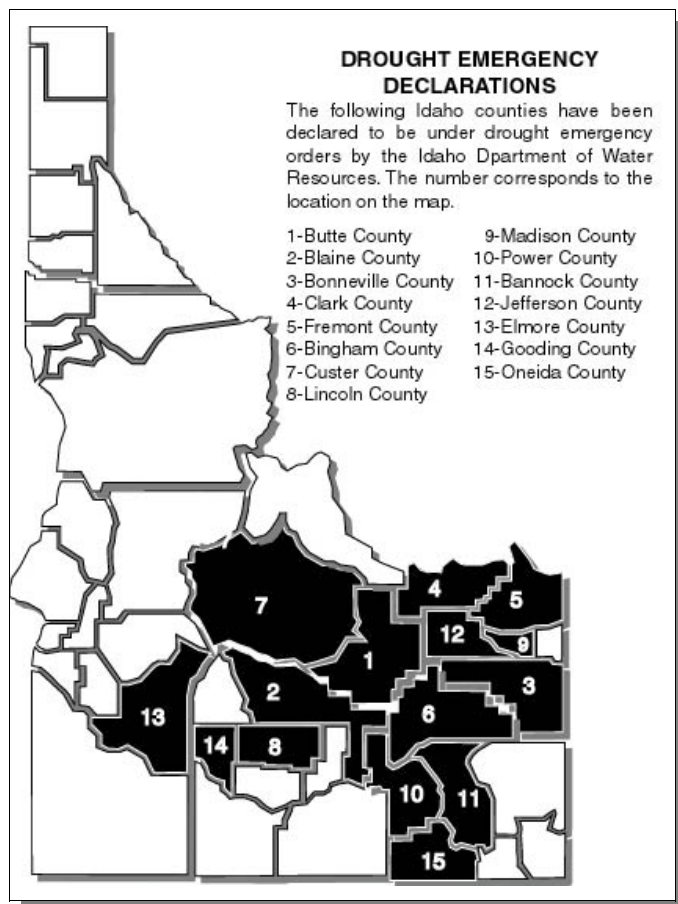
**Roger B. Madsen, Director**



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**Potatoes.** So far, it has been an unpredictable year for Idaho potato growers and processors. There are three large food processing companies that enter into contracts with growers before planting and production decisions are made. This year, some of these companies decided to reduce the amount of contracted production. This was based on their estimates for processed potato products, especially French fries and other frozen items. Now there are reports these companies want to acquire more potatoes. This comes after an effort by some growers to either reduce production or to demand higher contracted prices.

**International Trade.** Governor Dirk Kempthorne, other state officials, and private business people have made securing additional agricultural product exports a major priority. To date, trade missions have been made to Korea and China and the state has hosted missions from various other countries. Wheat and potato products are the major export items being discussed.

### Magic Valley Spotlight

The Magic Valley region of South Central Idaho is one of the state's primary agricultural areas. Crops grown include beans, potatoes, sugar beets, wheat, and hay. In recent years, dairy and cheese manufacturing have become very important to the area. Food processing facilities have provided substantial numbers of jobs throughout the years.

The June 21, 2002 edition of *Capital Press* published an article including remarks made by Greg Rogers, the De-

State Table 1: June 2002 Labor Force (preliminary)

Seasonally Adjusted	Labor Force	Unemp.	% Unemp.	Total Emp.
<b>Seaport LMA</b>	34,656	1,528	4.4	33,128
Nez Perce County	22,964	868	3.8	22,096
Asotin County, WA	11,692	661	5.7	11,031
<b>Boise City MSA</b>	253,318	11,726	4.6	241,593
Ada County	183,031	7,494	4.1	175,537
Canyon County	70,287	4,231	6.0	66,056
<b>Pocatello City MSA*</b>	41,587	2,364	5.7	39,222
<b>Bonneville LMA</b>	83,198	3,011	3.6	80,188
Bingham County	22,602	902	4.0	21,700
Bonneville County	48,289	1,647	3.4	46,641
Butte County	1,648	51	3.1	1,597
Jefferson County	10,659	410	3.8	10,249
<b>Cassia-Minidoka LMA</b>	19,146	1,073	5.6	18,073
Cassia County	9,509	508	5.3	9,001
Minidoka County	9,637	565	5.9	9,072
<b>Idaho-Lewis LMA</b>	7,835	703	9.0	7,132
Idaho County	6,273	596	9.5	5,677
Lewis County	1,562	107	6.8	1,455
<b>Panhandle LMA</b>	91,799	7,869	8.6	83,930
Benewah County	4,496	473	10.5	4,023
Bonner County	17,805	1,437	8.1	16,368
Boundary County	4,510	291	6.5	4,219
Kootenai County	58,328	5,032	8.6	53,296
Shoshone County	6,659	636	9.5	6,024
<b>Magic Valley LMA</b>	49,780	1,839	3.7	47,941
Gooding County	6,902	200	2.9	6,701
Jerome County	9,344	364	3.9	8,979
Twin Falls County	33,534	1,274	3.8	32,260
Adams County	1,657	196	11.8	1,461
Bear Lake County	2,699	128	4.8	2,570
Blaine County	12,241	424	3.5	11,817
Boise County	2,706	149	5.5	2,557
Camas County	366	13	3.5	354
Caribou County	3,282	232	7.1	3,050
Clark County	602	19	3.1	583
Clearwater County	3,780	455	12.0	3,325
Custer County	2,084	123	5.9	1,961
Elmore County	9,874	704	7.1	9,170
Franklin County	5,095	184	3.6	4,911
Fremont County	4,797	259	5.4	4,538
Gem County	6,170	518	8.4	5,652
Latah County	16,417	619	3.8	15,798
Lemhi County	3,704	218	5.9	3,486
Lincoln County	1,882	90	4.8	1,792
Madison County	12,565	222	1.8	12,342
Oneida County	1,712	56	3.2	1,656
Owyhee County	4,477	252	5.6	4,225
Payette County	9,684	720	7.4	8,964
Power County	3,273	264	8.1	3,010
Teton County	3,657	137	3.8	3,519
Valley County	4,091	333	8.1	3,758
Washington County	4,435	403	9.1	4,032
<b>State of Idaho</b>	<b>690,875</b>	<b>36,169</b>	<b>5.2</b>	<b>654,706</b>
<b>Idaho Cities</b>				
Boise	115,584	4,728	4.1	110,856
Coeur d'Alene	20,484	1,360	6.6	19,123
Idaho Falls	29,719	1,071	3.6	28,648
Lewiston	19,450	644	3.3	18,806
Nampa	21,463	1,410	6.6	20,053
Pocatello	29,631	1,653	5.6	27,978
Twin Falls	17,423	697	4.0	16,727

\* Pocatello MSA includes all of Bannock County.

partment of Labor's Regional Labor Economist stationed in Twin Falls, at a conference sponsored by the Twin Falls Chamber of Commerce. The *Capital Press* is an independent weekly newspaper devoted to information on the Northwest's agricultural and timber industries as well as the rural lifestyle. More information about the newspaper is available at [www.capitalpress.com](http://www.capitalpress.com).

*With the newspaper's permission, the following is an excerpt from the article:*

Idaho food processing has come a long way. A few decades ago, most Idaho farm commodities that were destined for processing were shipped out of state. Not anymore. Today a big percentage of those raw products stay right at home to be processed into things like frozen French fries, cheddar cheese, hot dogs, and wine. Raw materials are such things as potatoes from the field, milk to be processed for cheese, garden beans, corn, etc., that can have "value added" by processing. Prior to some food processors, we exported these goods to other states that processed them, hence they got the jobs and income. The more raw materials we can keep and process in Idaho the more the state benefits from the jobs, the payroll, the taxes, etc.

Food processing has mushroomed in Idaho to become one of the biggest segments of the economy. It employs nearly 20,000 workers in Idaho with a total annual payroll approaching \$300 million.

"Thirty years ago Idaho was a state of raw materials for the most part, but in the last 10 years especially, we've seen an incredible increase in the number of products that come into Idaho and stay in Idaho." In South Central Idaho alone, food processing exports are valued at about \$1.5 billion annually. In Southwest Idaho, exports are valued at nearly \$2 billion annually. Fruits and vegetables make up about 38 percent of the food processing shipments from Idaho. Dairy products make up about 22 percent of the shipments and meat products about 20 percent.

Area companies like J.R. Simplot, Jerome Cheese, Glanbia, Lamb-Weston, and Amalgamated Sugar are big contributors to the economy, not only with their payrolls, but all the other jobs created by supporting service industries. "These business aren't just important, they're essential to our economy."

When raw products leave Idaho to be processed elsewhere, "those are dollars that are lost to our economy." A strong food processing industry in Idaho is "adding value and keeping those dollars that would normally go somewhere else."

## EMPLOYMENT BY INDUSTRY

*Nonfarm Payroll Jobs* increased by 6,200 jobs in June 2002 from May. This was good news but the state is still in a catch-up mode from the job level of the previous year. As State Table 2 (page 5) shows, the nonfarm jobs count of 575,500 in June 2002 is 4,000 less than June 2001.

Month-over-month job gains were widespread. There were only a few industries that had significant numerical job losses and these were to be expected as they occurred primarily in the *State and Local Government Education* sectors. Schools began their summer vacations. Even though these sectors had month-over-month job losses, the year-over-year numbers indicate there were more jobs than last year. This can be attributed to Idaho's continuing population growth and the ability of Idaho's colleges and universities to attract increasing numbers of students.

Some encouraging news can be seen in the *Manufacturing* industries. Most industries showed job growth. The slight decline in *Other Durable* and *Nondurable Goods Manufacturing* is because these two sectors are residuals and subject to small changes. The state's electronics industries, which had been adversely affected during the national recession/economic slowdown, added 300 jobs. Yet they still remain 2,100 jobs below one year ago.

*Construction*, which has been a major driver in Idaho's economic expansion during the 1990s, added 1,600 jobs in June from May. However, the job count for June 2002 is down by 2,700 from June 2001. There has been a decline in all types of construction due to residential and commercial inventory being adequate throughout the state. In addition, some major building projects have been completed or, in the case of state of Idaho building projects, delayed due to budget constraints.

The year-over-year decline in *Mining*—a loss of 500 jobs for a 21.7 percent decline—is due to the closure of several mines in Idaho's Silver Valley in the Panhandle region. The reason for the closures was the depressed price for silver and other metals produced by the mines. Even if the prices unexpectedly rose to profitable levels, it would take months to bring the mines back into production.

June signifies the start of Idaho's summer tourism season. Fishing, boating and whitewater sports, hiking and camping, and just generally being outside and enjoying the animal life and scenery are examples of why Idaho draws visitors from around the world. The June job increases in *Eating & Drinking Places*, *Hotels & Other Lodging Places*, and *Amusement & Recreation Services* reflect the start of the summer. These industries added a combined total of 2,300 jobs in June over the May count. However, the numbers of jobs is 1,300 less than June 2001, a sign that the economic slowdown has had an impact on Idaho's tourism industry.

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State Table 2: Nonfarm Payroll Jobs

BY PLACE OF WORK	June 2002*	May 2002	June 2001	% Change From	
				Last Month	Last Year
<b>Nonfarm Payroll Jobs**</b>	575,500	569,300	579,500	1.1	-0.7
<b>GOODS-PRODUCING INDUSTRIES</b>	111,000	108,200	119,200	2.6	-6.9
<b>Mining</b>	1,800	1,800	2,300	0.0	-21.7
Metal Mining	500	500	900	0.0	-44.4
<b>Construction</b>	37,700	36,100	40,400	4.4	-6.7
<b>Manufacturing</b>	71,500	70,300	76,500	1.7	-6.5
Durable Goods	43,900	43,000	47,000	2.1	-6.6
Lumber & Wood Products	11,100	10,500	11,800	5.7	-5.9
Logging	2,000	1,600	2,100	25.0	-4.8
Sawmills & Planing Mills	4,100	4,100	4,700	0.0	-12.8
Wood Buildings & Mobile Homes	1,100	1,100	1,100	0.0	0.0
Other Lumber & Wood Products	3,900	3,700	3,900	5.4	0.0
Stone, Clay, Glass & Concrete Products	1,600	1,600	1,600	0.0	0.0
Fabricated Metal Products, exc. Machinery & Transportation Equip.	2,900	2,800	3,100	3.6	-6.5
Industrial & Commercial Machinery & Computer Equipment	9,400	9,300	10,000	1.1	-6.0
Electronic & Other Electrical Equip. & Components, Exc., Computer	13,100	12,900	14,600	1.6	-10.3
Transportation Equipment	2,200	2,100	2,300	4.8	-4.3
Other Durable Goods	3,600	3,800	3,600	-5.3	0.0
Nondurable Goods	27,600	27,300	29,500	1.1	-6.4
Food Processing	16,700	16,400	17,600	1.8	-5.1
Canned, Frozen, & Preserved Fruits, Vegetables & Food Specialties	9,100	8,900	9,900	2.2	-8.1
Paper Products	2,100	2,000	2,100	5.0	0.0
Printing, Publishing & Allied Products	4,900	4,900	5,200	0.0	-5.8
Chemicals & Allied Products	2,000	2,000	2,400	0.0	-16.7
Other Nondurable Goods	1,900	2,000	2,200	-5.0	-13.6
<b>SERVICE-PRODUCING INDUSTRIES</b>	464,500	461,100	460,300	0.7	0.9
<b>Transportation, Communications, &amp; Utilities</b>	27,900	27,300	28,500	2.2	-2.1
Transportation	17,300	16,900	17,800	2.4	-2.8
Railroad	1,300	1,300	1,300	0.0	0.0
Motor Freight Transportation & Warehousing	10,200	9,900	10,300	3.0	-1.0
Communications	6,500	6,400	6,600	1.6	-1.5
Electric, Gas, & Sanitary Services	4,100	4,000	4,100	2.5	0.0
<b>Trade</b>	141,000	139,700	143,800	0.9	-1.9
Wholesale Trade	31,900	31,600	32,100	0.9	-0.6
Durable Goods	14,900	14,700	15,200	1.4	-2.0
Nondurable Goods	17,000	16,900	16,900	0.6	0.6
Retail Trade	109,100	108,100	111,700	0.9	-2.3
Building Materials, Hardware, Garden Supply & Manuf. Home Dealers	7,200	7,000	7,100	2.9	1.4
General Merchandise Stores	13,800	13,800	13,700	0.0	0.7
Food Stores	18,400	18,400	19,200	0.0	-4.2
Automotive Dealers & Gasoline Service Stations	12,300	12,200	12,500	0.8	-1.6
Eating & Drinking Places	38,700	38,000	39,500	1.8	-2.0
<b>Finance, Insurance &amp; Real Estate</b>	24,900	24,700	24,200	0.8	2.9
Banking	7,500	7,500	7,400	0.0	1.4
<b>Services</b>	156,300	153,000	152,900	2.2	2.2
Hotels & Other Lodging Places	8,100	7,300	8,600	11.0	-5.8
Personal Services	4,300	4,300	4,500	0.0	-4.4
Business Services	29,700	29,500	29,800	0.7	-0.3
Amusement and Recreation Services	7,900	7,100	7,900	11.3	0.0
Health Services	40,600	40,400	38,200	0.5	6.3
Hospitals	14,000	13,900	13,000	0.7	7.7
Engineering, Accounting, Research, Management, & Related Services	20,700	20,200	19,700	2.5	5.1
<b>Government</b>	114,400	116,400	110,900	-1.7	3.2
Federal Government	14,500	13,400	14,300	8.2	1.4
State & Local Government	99,900	103,000	96,600	-3.0	3.4
State Government	27,300	29,900	26,600	-8.7	2.6
Education	11,800	14,700	11,200	-19.7	5.4
Administration	15,500	15,200	15,400	2.0	0.6
Local Government	72,600	73,100	70,000	-0.7	3.7
Education	40,000	41,300	39,000	-3.1	2.6
Administration	32,600	31,800	31,000	2.5	5.2

\* Preliminary Estimate

\*\* Estimates include all full or part time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.

DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS

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## State Table 3: Economic Indicators

				% Change From					
	June 2002	May 2002	June 2001	Last Month	Last Year				
IDAHO LABOR FORCE <sup>(1)</sup>									
<b>Seasonally Adjusted</b>									
Civilian Labor Force	690,900	686,900	682,500	0.6	1.2				
Unemployment	36,200	34,200	33,500	5.8	8.1				
Percent of Labor Force Unemployed	5.2	5.0	4.9						
Total Employment	654,700	652,700	649,000	0.3	0.9				
<b>Unadjusted</b>									
Civilian Labor Force	700,900	688,000	692,500	1.9	1.2				
Unemployment	33,100	32,600	30,500	1.5	8.5				
Percent of Labor Force Unemployed	4.7	4.7	4.4						
Total Employment	667,800	655,400	662,000	1.9	0.9				
U. S. UNEMPLOYMENT RATE <sup>(2)</sup>	5.9	5.8	4.6						
U.S. CONSUMER PRICE INDEX <sup>(2)</sup>									
Urban Wage Earners & Clerical Workers (CPI-W)	175.9	175.8	174.6	0.1	0.7				
All Urban Consumer (CPI-U)	179.9	179.8	178.0	0.1	1.1				
AGRICULTURE									
Agriculture Employment	39,900	37,370	36,510	6.8	9.3				
Operators	9,010	9,010	9,010	0.0	0.0				
Unpaid Family	640	610	610	4.9	4.9				
Hired Workers	30,250	27,750	26,890	9.0	12.5				
UNEMPLOYMENT INSURANCE									
<b>Claims Activities</b>									
Initial Claims <sup>(3)</sup>	8,982	10,499	7,192	-14.4	24.9				
Weeks Claimed <sup>(4)</sup>	80,142	94,091	51,509	-14.8	55.6				
<b>Benefit Payment Activities<sup>(5)</sup></b>									
Weeks Compensated	68,073	79,905	42,102	-14.8	61.7				
Total Benefit \$ Paid	\$14,882,043	\$17,745,622	\$8,703,956	-16.1	71.0				
Average Weekly Benefit Amount	\$218.62	\$222.08	\$206.73	-1.6	5.7				
Covered Employers	40,240	40,093	40,055	0.4	0.5				
Total Benefit \$ Paid During Last 12 Months <sup>(4)</sup>	\$196,600,086	\$190,422,000	\$123,650,064	3.2	59.0				
(1) Preliminary Estimate									
(2) Source: U.S. Bureau of Labor Statistics									
(3) Includes all entitlements/programs on Intrastate and Interstate Agent, New, and Additional Claims									
(4) Includes all entitlements/programs, Intrastate and Interstate Agent									
(5) Includes all entitlements/programs, Total Liable Activities									
HOURS AND EARNINGS									
	Average Weekly Earnings*			Average Weekly Hours			Average Hourly Earnings		
	June 2002	May 2002	June 2001	June 2002	May 2002	June 2001	June 2002	May 2002	June 2001
Mining	\$700.04	\$676.70	\$615.28	41.3	39.9	38.6	\$16.95	\$16.96	\$15.94
Construction	\$720.93	\$669.97	\$693.56	41.6	37.2	40.3	\$17.33	\$18.01	\$17.21
Total Manufacturing	\$619.64	\$598.88	\$556.04	38.8	38.0	37.8	\$15.97	\$15.76	\$14.71
Lumber & Wood Products	\$642.19	\$571.82	\$560.92	40.8	38.3	37.9	\$15.74	\$14.93	\$14.80
Food & Kindred Products	\$470.71	\$437.18	\$459.67	38.3	36.8	42.8	\$12.29	\$11.88	\$10.74
Communications	\$883.12	\$805.14	\$747.42	43.1	40.5	41.5	\$20.49	\$19.88	\$18.01
Electric, Gas, & Sanitary Services	\$775.92	\$782.64	\$814.84	36.6	36.0	39.1	\$21.20	\$21.74	\$20.84
Trade	\$329.15	\$324.12	\$328.18	29.6	29.2	30.5	\$11.12	\$11.10	\$10.76
Wholesale Trade	\$506.47	\$517.79	\$509.96	33.9	35.2	36.9	\$14.94	\$14.71	\$13.82
Retail Trade	\$281.16	\$272.14	\$279.65	28.4	27.6	28.8	\$9.90	\$9.86	\$9.71
DATA PREPARED IN COOPERATION WITH THE BUREAU OF LABOR STATISTICS									
* These average earnings are computed on a gross basis and reflect changes in premium pay for overtime and late shift work as well as changes in basic hourly and incentive wage.									



# PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

## EMPLOYMENT TRENDS

The Panhandle's seasonally adjusted unemployment rate rose to 8.6 percent in June as rainy, cool weather hampered outdoor activity and the U.S. economic slowdown continued to affect the region. The unemployment rate rose from 8.0 percent in June 2001 to 8.6 percent a year later because the number of unemployed residents grew nearly 10 percent while the number of employed residents grew much more slowly.

Between June 2001 and June 2002, 1,870 more Panhandle residents found employment, increasing employment 2.3 percent as shown in Panhandle Table 1. In contrast, in an average year between 1991 and 2001, 2,260 more Panhandle residents found employment, increasing total employment 3.9 percent.

Although the Panhandle's total employment from June 2001 to June 2002 grew relatively slowly compared to earlier years, the Panhandle still enjoyed the strongest employment growth of any Idaho region, and Idaho has fared relatively well in this recession. Idaho employment rose 0.9 percent, adding 5,730 employed residents between June 2001 and June 2002, while U.S. total employment decreased 0.7 percent, losing 950,000 employed residents. In the same period, the Panhandle's total employment increased 2.3 percent, by 1,870 residents. In Region 2 (North Central Idaho including Lewiston and Moscow), total employment increased equally fast, growing 2.3 percent, by 1,070 residents. The next fastest-growing region was Region 6, the Idaho Falls area, with employment growing 1.1 percent, by 910 residents. Region 3, Southwest Idaho including Boise and Nampa, added the second highest number of employed residents, growing 0.7 percent, by 1,840 jobs. All the other regions grew, but by less than one percent, and added fewer than 1,000 employed residents each.

Between May and June, the Panhandle added 1,130 *Nonfarm Payroll Jobs*. In the last five years, the Panhandle normally has added 2,020 jobs between May and June. Poor weather and a drop in

Panhandle Table 1: Labor Force & Employment

	June 2002*	May 2001	June 2001	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	91,800	91,810	89,220	0.0	2.9
Unemployed	7,870	7,370	7,160	6.8	9.9
% of Labor Force Unemployed	8.6	8.0	8.0		
Total Employment	83,930	84,440	82,060	-0.6	2.3
<b>Unadjusted</b>					
Civilian Labor Force	92,920	91,720	90,380	1.3	2.8
Unemployed	6,580	7,030	5,950	-6.4	10.6
% of Labor Force Unemployed	7.1	7.7	6.6		
Total Employment	86,340	84,690	84,430	1.9	2.3
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	69,680	68,550	69,370	1.6	0.4
<b>Goods-Producing Industries</b>	13,600	13,230	14,680	2.8	-7.4
Mining	580	550	850	5.5	-31.8
Construction	4,900	4,540	5,030	7.9	-2.6
Manufacturing	8,120	8,140	8,800	-0.2	-7.7
Lumber & Wood Products	3,750	3,720	4,170	0.8	-10.1
All Other Manufacturing	4,370	4,420	4,630	-1.1	-5.6
<b>Service-Producing Industries</b>	56,080	55,320	54,690	1.4	2.5
Transportation	1,530	1,360	1,570	12.5	-2.5
Communication & Utilities	1,120	1,110	1,090	0.9	2.8
Wholesale Trade	2,210	2,130	2,200	3.8	0.5
Retail Trade	15,060	14,670	15,240	2.7	-1.2
Finance, Insurance & Real Estate	2,730	2,780	2,710	-1.8	0.7
Service & Miscellaneous	18,660	18,410	17,360	1.4	7.5
Government Administration	9,570	9,290	9,290	3.0	3.0
Government Education	5,200	5,570	5,230	-6.6	-0.6
* Preliminary estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

commercial construction prevented *Construction* from adding as many jobs as normal. Logging in the *Lumber and Wood Products* group did not add as many jobs as it normally does because mill demand for logs is down and rainy, cool weather reduced logging activity in June. *Retail Trade* including stores and restaurants also hired fewer workers this summer than normal. Despite the addition of 100 jobs by the Center Partners call center in Post Falls, *Services* added fewer jobs between May and June than normal. In *Services*, the greatest losses came from temporary employment agencies and hotels and other lodging places. *Transportation*, including cruise boats, and *Government Administration*, including the U.S. Forest Service and other forest and land agencies, added approximately as many jobs as they normally do between May and June.

The layoff of 118 employees at the Harpers furniture plant in Post Falls that began at the end of May reduced June's *Other Manufacturing* employment. Fortunately, the layoff proved to be short-lived. Almost all of the affected employees were back to work within three weeks. Their return to work brought employment at Harpers back up to 550 jobs. Harpers, which is changing its name to flexcel-Post Falls, is the Panhandle's largest manufac-

turing plant. The next largest manufacturing plant in Kootenai County—employing slightly more than 300 people—is the Advanced Input Devices (AID) computer equipment plant in Coeur d’Alene.

## **AREA DEVELOPMENTS**

### **Benewah County**

- Betty Brandon and her daughter-in-law, Ronene Weaver, recently opened Java on the Joe, selling lattes, mochas, granitas, and other refreshments to boaters and motorists on the St. Joe River Road. It also includes a gift shop where the owners will make and deliver gift baskets. Located about eight miles from St. Maries, the business will remain open throughout the year.

### **Bonner County**

- The Bonner County Economic Development Corporation, the Sandpoint-based nonprofit organization recruiting new employers and promoting economic development, announced in July that two more businesses will be moving to the Sandpoint area. CTC Accessories—currently located in Enumclaw, Washington—designs and distributes snowboard lashes, ski pass holders, traction pads for snowboarding, ski harnesses for children, and boot and board totes, attaching customized logos for the resorts and stores that order them. When CTC moves to Sandpoint, it will hire two people. Ski Doctor Designs—currently located in Sacramento, California—designs and makes equipment for skiers with disabilities including the ShockShaft F1, a four-arm crutch with a shock absorber for skiing. Ski Doctor Designs will employ four to six employees when it moves to the Sandpoint area this fall. The proximity of Schweitzer Mountain Resort, the ski area near Sandpoint, was a factor in both businesses’ decisions to move to the area.

### **Shoshone County**

- Dave Smith Motors, which ties with the Galena Mine as the largest private employer in Shoshone County, recently renovated the former Sunnyside Elementary School in Kellogg into a new showroom and office area. About 240 people work for the automotive dealership, renowned for its one-price system. Several times a week, shuttles from the Spokane Airport, 76 miles away, bring potential customers from all over the United States to the dealership. As individual Silver Valley dealerships closed in the economically troubled 1980s, Dave Smith bought them, so now it sells Dodge, Chrysler, Plymouth, and GM vehicles. The dealership added Jeep vehicles to its line-up last year. The new building gives the dealership staff, including the sizeable Internet sales department, more room.
- MFG Inc. moved its North Idaho office 40 miles from Osburn in the Silver Valley to 1044 Northwest Boulevard in Coeur d’Alene in June. The environmental engineering and consulting company, based in Colorado, says the move will make it easier to serve cus-

tomers in Eastern Washington. The office employs seven people. As the mining industry in the Silver Valley has downsized since the early 1980s, several mine service and mining corporate headquarters have made similar moves from the valley to Coeur d’Alene.

### **Kootenai County**

- The University of Idaho Research Park in Post Falls, which completed its first building in July, soon will welcome four new tenants. Super Green Inc., a biotech company developed by University of Idaho Chemistry Department Chair Chien Wah, will occupy a 1,500-square-foot space where it will extract nutrients and pharmaceutical elements from plants. The U. S. Geological Survey is moving its regional water resources division from Sandpoint to a 4,000-square-foot space, employing eight people. As mentioned in the March newsletter, the 15-employee Center for Advanced Microelectronics and Biomolecular Research is moving from the University of New Mexico into a 6,000-square-foot space. The center’s founder, electronics engineering professor Gary Maki, develops bioelectronic sensors for detecting diseases or poisons for medical and antiterrorism purposes. Idaho Tech-Help, located in a 600-square-foot office, provides manufacturing and engineering assistance to small businesses. TechHelp is a nonprofit organization created by a partnership between the University of Idaho, Idaho State University, and Boise State University.
- The Ziegler family, who owns several building material stores in the Panhandle and Eastern Washington, recently moved their wholesale building material company, Big Bear Lumber, to Post Falls, bringing 25 jobs. Big Bear was located in the Hillyard area of Spokane for 15 years until it was forced to move to make way for construction on the new north-south freeway. In June, it moved to five acres behind the Zieglers’ retail store, Ziggy’s, on Highway 95 in Post Falls. The Zieglers also are moving their door and shed assembly shop. When the shop moves to Post Falls later this summer, eight more workers will be hired.
- Post Falls also became home to several other businesses this summer. Ace Tarps & Covers, a new business at 2605 North Highway 4, makes and repairs boat covers, marina covers, pond liners, and tarps, including those used to cover semi-loads of logs. River City Paper Co. sells supplies for scrapbooking, including paper, stickers, and rubber stamps, in a 2,100-square-foot space in River City Plaza, a mini-mall at 2600 East Seltice Way. Jeff Kemp and two employees opened his new business, Graffiti Sound Solutions, in a new building at 535 Geyer Street in Post Falls at the end of June. The store specializes in audio, video, navigation, and security equipment for motor vehicles.

*(continued on page 24)*





# SEAPORT

NORTH CENTRAL IDAHO: CLEARWATER, IDAHO, LATAH, LEWIS, & NEZ PERCE COUNTIES

## LABOR FORCE & EMPLOYMENT

Seaport's seasonally adjusted unemployment rate in June remained at May's rate of 4.4 percent. In June 2001 the rate was 4.2 percent. Even though the rate remained the same, total employment in June decreased slightly (210) while unemployment increased by only ten. A year-over-year comparison recorded the same trend of decreasing employment with very little corresponding increase of unemployment. In comparison to June 2001, June 2002 employment decreased by 510. It is generally assumed that when employment decreases, unemployment increases proportionally. This was not the case in year-over-year comparisons as unemployment increased by only 70. Before speculating as to why year-over-year unemployment did not increase by more than 70, when employment decreased by 510 we will need to review July and August data when it is released later this year.

In June, Seaport's *Nonfarm Payroll Jobs* showed a decrease of 220 from May 2002 and 620 from June 2001. The decrease in June, which is usually a strong employment month, is cause for concern. Only *Manufacturing* and *Construction* industries recorded growth. Compared to last year at this time *Nonfarm Payroll Jobs* has decreased notably. Employment was lost in all industries except for some sectors of *Manufacturing* and *Government*.

## SPECIAL TOPIC

### Per Capita Personal Income

County	1999	2000
Clearwater	\$19,030	\$19,864
Idaho	\$18,218	\$19,164
Latah	\$20,033	\$21,084
Lewis	\$19,332	\$21,299
Nez Perce	\$23,814	\$25,362
State of Idaho	\$22,371	\$23,727
United States	\$27,843	\$29,469

Source: Bureau of Economic Analysis, U.S. Department of Commerce, Economics and Statistics Administration, June 2002

Seaport Table 1: Labor Force & Employment  
Nez Perce County, Idaho, and Asotin County, Washington

	June 2002*	May 2002	June 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	34,660	34,860	35,100	-0.6	-1.3
Unemployment	1,530	1,520	1,460	0.7	4.8
% of Labor Force Unemployed	4.4	4.4	4.2	0.0	-0.2
Total Employment	33,130	33,340	33,640	-0.6	-1.5
<b>Unadjusted</b>					
Civilian Labor Force	34,630	34,930	35,070	-0.9	-1.3
Unemployment	1,470	1,400	1,400	5.0	5.0
% of Labor Force Unemployed	4.2	4.0	4.0	0.2	-0.2
Total Employment	33,160	33,530	33,670	-1.1	-1.5
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	25,490	25,710	26,110	-0.9	-2.4
<b>Goods-Producing Industries</b>	5,280	5,210	5,380	1.3	-1.9
Mining & Construction	1,390	1,470	1,550	-5.4	-10.3
Manufacturing	3,890	3,740	3,830	4.0	1.6
Food Processing	90	70	160	28.6	-43.8
Lumber & Wood Products	730	650	730	12.3	0.0
Paper Products	1,720	1,680	1,650	2.4	4.2
All Other Manufacturing	1,350	1,340	1,290	0.7	4.7
<b>Service-Producing Industries</b>	20,210	20,500	20,730	-1.4	-2.5
Transportation	1,350	1,360	1,390	-0.7	-2.9
Communications & Utilities	260	260	280	0.0	-7.1
Wholesale Trade	970	960	970	1.0	0.0
Retail Trade	4,870	4,920	5,030	-1.0	-3.2
Finance, Insurance, & Real Estate	1,370	1,400	1,410	-2.1	-2.8
Services	6,470	6,520	6,820	-0.8	-5.1
Government Administration	2,740	2,700	2,680	1.5	2.2
Government Education	2,180	2,380	2,150	-8.4	1.4

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Per Capita Personal Income (PPCI) is generally cited as a useful tool for judging the economic prosperity of a county. Conceptually, it is designed to pick up virtually all sources of income called Total Personal Income (TPI). PPCI measures average income for a population, regardless of age or employment situation. Therefore, children, retirees, institutionalized people, and the unemployed are included in the county's PPCI. The U.S. Department of Commerce recently revised the data from 1999 through 2000. The 2000 statewide ranking of North Central Idaho counties, along with the percent increase from 1999, are as follows:

- » *Clearwater County*—ranked 21<sup>st</sup>, increasing 4.2 percent to \$19,864.
- » *Idaho County*—ranked 29<sup>th</sup>, increasing 4.9 percent to \$19,164.
- » *Latah County*—ranked 18<sup>th</sup>, increasing 5.0 percent to \$21,084.
- » *Lewis County*—ranked 15<sup>th</sup>, increasing 9.3 percent \$21,299.
- » *Nez Perce County*—ranked 4<sup>th</sup>, increasing 5.8 percent to \$25,362.

Seaport Table 2 shows the 1999 and 2000 PPCI figures for the Seaport counties, the state of Idaho, and the United States.

## AREA DEVELOPMENTS

### Clearwater County

- Nearly \$2 million in federal and state grants have been acquired to develop a light manufacturing industrial site in Orofino. The grants will cover the development, land costs, and construction of a 30,000-square-foot building. An expanding local company, Architectural Sign and Engraving, will be the anchor for the new building and will occupy about half of the space. The other half of the building will provide space to encourage local business to expand or outside companies to move to the county. Already companies have inquired and are being considered. A & R Construction of Lewiston has completed the first phase of work on the industrial site. Phase II, construction of the building, was awarded to KOP Construction of Spokane, Washington. Work began on the building in August. Phase II was delayed so the site could dry out before the foundation for the new building was put in place.

### Idaho & Lewis Counties

- The Hearthstone Bakery and Tea House have opened for business in Kamiah. Owners Harty and Marjorie Schmaehl have run the Hearthstone Lodge Bed and Breakfast, also located in Kamiah, for the past three years and said they saw a need for a town bakery. The Schmaehls took on the task, hoping to give the town a lift by creating jobs and helping to improve the economy. The bakery has 14 employees. The Schmaehls renovated a vacant building at 502 Main Street, using local artisans for the extensive remodel. Training for the bakers was provided by a prominent, award-winning baker from Seattle. The new bakery will offer 14 kinds of bread, along with pastries, donuts, and coffee. Breakfast crepes will soon be on the menu along with soup and salad lunches.

### Latah County

- Beginning in the fall, airline passengers bound for the Pullman-Moscow airport will no longer have to stop at the Lewiston-Nez Perce airport first. Horizon Air, the sole commercial airline providing service to and from the airport, will make nonstop flights between Sea-Tac and Pullman-Moscow airports and between Sea-Tac and Lewiston-Nez Perce airports. The downside for passengers, especially during periods when flights are in demand, is that the airline will use smaller planes at both airports. Dan Russo, Horizon spokesman, said changing the flight schedule and planes makes economic sense. The 70-seat Q400, the aircraft that currently carries air travelers from both regional airports, is not being used to capacity. "That really is too big a plane to serve only Pullman or Moscow," he said. The plane will be replaced with the 37-seat Q200, which was used at Pullman-Moscow before fall 2001. Horizon operates four flights per day between Sea-Tac and the two regional airports. Russo

said the number of flights would remain the same when the change takes effect September 1.

### Nez Perce and Asotin Counties

- A Harley-Davidson satellite store will open in North Lewiston early this fall in the former Empire Foods grocery store next to Rusty's Ranch Cafe. "Lewiston has a very, very strong interest in Harley-Davidson," says George Latus, owner of Latus Motors Harley-Davidson in Spokane and Portland. The riding season in the Lewiston area is one of the best in the Inland Northwest, closing only for the occasional winter snowstorm, Latus says. The store will sell new and used Harley-Davidson motorcycles, parts, accessories, and clothing. It also will provide repairs and maintenance. The Lewiston branch store will be about 7,000-square feet—less than a third the size of the dealerships in Spokane and Portland—and will employ six to eight people initially. The Portland dealership has 50 employees and the Spokane location employs 30.
- Safeway and AmericanWest Bank, the two newest tenants of Nez Perce Plaza in Lewiston, are expected to open early this fall. Safeway also plans to have a gas station on Thain Grade near the entrance to Home Depot and the grocery store. Talks are underway with three other businesses to locate at the plaza, including Boston's, a sit-down restaurant, Petco, and the Fashion Bug, a clothing retailer. The port of Lewiston is developing a business and technology park adjacent to the shopping area. According to AmericanWest Bank company officials, that is one of the reasons they wanted the first branch in Lewiston to be at Nez Perce Plaza. The bank, which is financing Nez Perce Plaza, also chose the site because it will be the newest shopping district in town and will have high visibility. Employees at the new business and technology park will have easy access to the bank. The park's first tenant will be Regence Blue-Shield of Idaho and the Regence Group, which will occupy a 70,000-square-foot office complex on ten acres. The Regence Group will employ 100 to 150 people in new jobs to process claims for customers of Regence affiliates in Idaho, Washington, Oregon, and Utah. In addition, Regence will move more than 300 claims processing and customer service employees who now work at the insurance provider's Bryden Avenue office to the new office complex. The business and technology park will have room for another six to ten tenants of varying sizes on the remaining 33 acres.

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# TREASURE VALLEY

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY, & WASHINGTON COUNTIES

## EMPLOYMENT TRENDS

The June 2002 seasonally adjusted unemployment rate for the Boise City Metropolitan Statistical Area (MSA), which includes Ada and Canyon Counties, was 4.6 percent, as shown in Treasure Valley Table 1. This rate remained unchanged from May 2002, and was up four-tenths of a percentage point from the June 2001 rate of 4.2 percent. The number of individuals employed increased from May to June by 800 individuals, and an increase of 200 occurred in the number of unemployed individuals—from 11,500 in May to 11,700—in June. The increase in the number employed and the increase in the number unemployed created a net increase in the *Civilian Labor Force* of 1,000 individuals from May to April 2002; year-over-year, there was a net increase of 2,900 individuals in the *Civilian Labor Force*. Treasure Valley Table 2 shows the June 2002 seasonally adjusted labor force figures for all counties in Southwest Idaho.

**Treasure Valley Table 2: June 2002  
Seasonally Adjusted Labor Force Figures for  
Southwest Idaho Counties**

	Civilian Labor Force	Number Unem- ployed	Percent Unem- ployed	Number Employed
Ada	183,031	7,494	4.1	175,537
Adams	1,657	196	11.8	1,461
Boise	2,706	149	5.5	2,557
Canyon	70,287	4,231	6.0	66,056
Elmore	9,874	704	7.1	9,170
Gem	6,170	518	8.4	5,652
Owyhee	4,477	252	5.6	4,225
Payette	9,684	720	7.4	8,964
Valley	4,091	333	8.1	3,758
Washington	4,435	403	9.1	4,032
Statewide	690,875	36,169	5.2	654,706

Approximately 1,100 *Nonfarm Payroll Jobs* were added to the Boise City MSA between May and June 2002, while there was an increase of 500 *Nonfarm Payroll Jobs* since June 2001. In *Goods-Producing Industries*, there was a gain of 900 jobs month-over-month with the only job

**Treasure Valley Table 1: Boise MSA Labor Force & Employment  
Ada and Canyon counties**

	June 2002*	May 2002	June 2001	% Change Last Month	% Change Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	253,300	252,300	250,400	0.4	1.2
Unemployment	11,700	11,500	10,400	1.7	12.5
% of Labor Force Unemployed	4.6	4.6	4.2		
Total Employment	241,600	240,800	240,000	0.3	0.7
<b>Unadjusted</b>					
Civilian Labor Force	255,700	252,000	252,800	1.5	1.1
Unemployment	11,400	10,900	10,100	4.6	12.9
% of Labor Force Unemployed	4.5	4.3	4.0		
Total Employment	244,300	241,100	242,700	1.3	0.7
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	233,700	232,600	233,200	0.5	0.2
<b>GOODS-PRODUCING INDUSTRIES</b>	51,900	51,000	54,400	1.8	-4.6
<b>Construction &amp; Mining</b>	17,100	16,500	17,300	3.6	-1.2
<b>Manufacturing</b>	34,800	34,500	37,100	0.9	-6.2
Durable Goods	26,300	26,100	28,400	0.8	-7.4
Lumber & Wood Products	3,200	3,100	3,100	3.2	3.2
Wood Buildings & Mobile Homes	800	800	800	0.0	0.0
Other Lumber & Wood Products	2,400	2,300	2,300	4.3	4.3
Fabricated Metal Products	1,100	1,200	1,300	-8.3	-15.4
Ind & Com Mach & Computer Equip	7,300	7,200	7,700	1.4	-5.2
Electronic & Other Elect Equip. & Comp	11,200	11,100	12,700	0.9	-11.8
Transportation Equipment	1,800	1,700	1,800	5.9	0.0
Other Durable Goods	1,700	1,800	1,800	-5.6	-5.6
Nondurable Goods	8,500	8,400	8,700	1.2	-2.3
Food & Kindred Products	5,800	5,700	5,900	1.8	-1.7
Canned Cured & Frozen Foods	1,800	1,700	1,800	5.9	0.0
Printing, Pub & Allied Products	1,900	1,900	2,000	0.0	-5.0
Other Nondurable Goods	800	800	800	0.0	0.0
<b>SERVICE-PRODUCING INDUSTRIES</b>	181,800	181,600	178,800	0.1	1.7
<b>Trans, Comm, &amp; Public Util</b>	12,500	12,300	12,500	1.6	0.0
Transportation	7,000	6,900	7,000	1.4	0.0
Comm & Elec, Gas & Sanitary Ser	5,500	5,400	5,500	1.9	0.0
<b>Trade</b>	56,900	56,500	57,500	0.7	-1.0
Wholesale Trade	13,200	13,000	13,000	1.5	1.5
Durable Goods	8,100	8,000	8,000	1.3	1.3
Nondurable Goods	5,100	5,000	5,000	2.0	2.0
Retail Trade	43,700	43,500	44,500	0.5	-1.8
General Merchandise Stores	5,700	5,600	5,600	1.8	1.8
Foods Stores	7,300	7,300	7,800	0.0	-6.4
Eating & Drinking Places	15,700	15,700	15,700	0.0	0.0
Other Retail Trade	15,000	14,900	15,400	0.7	-2.6
<b>Finance, Insurance, &amp; Real Estate</b>	11,900	11,900	11,500	0.0	3.5
<b>Services</b>	64,600	64,000	62,500	0.9	3.4
Business Services	14,000	14,000	14,700	0.0	-4.8
Health Services	19,200	19,100	18,100	0.5	6.1
Hospitals	9,200	9,100	8,300	1.1	10.8
Eng, Acct., Res, Mngmt., & Related	5,700	5,500	5,100	3.6	11.8
Other Services	25,700	25,400	24,600	1.2	4.5
<b>Government</b>	35,900	36,900	34,800	-2.7	3.2
Federal Government	5,400	5,300	5,400	1.9	0.0
State Government	12,600	13,700	12,400	-8.0	1.6
Education	3,600	4,600	3,500	-21.7	2.9
Administration	9,000	9,100	8,900	-1.1	1.1
Local Government	17,900	17,900	17,000	0.0	5.3
Education	11,600	11,800	11,000	-1.7	5.5
Administration	6,300	6,100	6,000	3.3	5.0

\* Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

losses occurring in *Fabricated Metal Products Manufacturing* (100) and *Other Durable Goods Manufacturing* (100). Job gains occurred in *Mining & Construction* (600), *Other Lumber & Wood Products Manufacturing* (100), *Industrial & Commercial Machinery & Computer Equipment Manufacturing* (100), *Electronic & Other Electric Equipment & Component Manufacturing* (100), *Transportation Equipment Manufacturing* (100), and *Food & Kindred Products Manufacturing* (100).

The year-over-year data is quite different as *Goods-Producing Industries* lost 2,500 jobs. Job losses occurred in: *Mining & Construction* (200), *Fabricated Metal Products Manufacturing* (200), *Industrial & Commercial Machinery & Computer Equipment Manufacturing* (400), *Electronic & Other Electrical Equipment & Components Manufacturing* (1,500), *Other Durable Goods Manufacturing* (100), *Food & Kindred Products Manufacturing* (100), and *Printing, Publishing & Allied Products Manufacturing* (100). *Other Lumber & Wood Products Manufacturing* (100) was the only *Goods-Producing Industry* to create new jobs over the year. The large decrease in the number of jobs in *Industrial & Commercial Machinery & Computer Equipment Manufacturing* and *Electronic & Other Electrical Equipment and Components Manufacturing* is consistent with the number of layoffs that have occurred in those industries since January 2001.

*Service-Producing Industries* gained 200 jobs between May and June 2002. Job losses in *State Government Education* (1,000), *State Government Administration* (100), and *Local Government Education* (200) were outpaced by job increases in *Transportation* (100), *Communication & Electricity, Gas & Sanitary Services* (100), *Durable Goods Wholesale Trade* (100), *Nondurable Goods Wholesale Trade* (100), *General Merchandise Stores* (100), *Other Retail Trade* (100), *Health Services* (100), *Engineering, Accounting, Research, Management, & Related Services* (200), *Other Services* (300), *Federal Government* (100), and *Local Government Administration* (200) to create the net increase in the number of *Service-Producing Industry* jobs gained over the month. Year-over-year, there was an increase of 3,000 jobs in *Service-Producing Industries*, with job gains in *Durable Goods Wholesale Trade* (100), *Nondurable Goods Wholesale Trade* (100), *General Merchandise Stores* (100), *Finance, Insurance & Real Estate* (400), *Health Services* (1,100), primarily *Hospitals* (900), *Engineering, Accounting, Research, Management, & Related* (600), *Other Services* (1,100), *State Government Education* (100), *State Government Administration* (100), *Local Government Education* (600), and *Local Government Administration* (300) outpacing job losses in *Food Stores* (500), *Other Retail Trade* (400), and *Business Services* (700).

## AREA DEVELOPMENTS

### Boise City MSA

- St. Luke's Regional Medical Center held its centennial celebration in late July. The hospital also asked

its employees to cut costs by \$1 million a month so that the hospital can break even in September; lower patient counts and declining reimbursements from Medicare and Medicaid contributed to the drop in revenues. Company officials announced plans to determine which programs impact communities the most and revise and reduce programs that are not critical. In early July, St. Luke's announced that no layoffs were planned. St. Luke's also unveiled its new Air St. Luke's ambulance service in late July; the new service includes one fixed-wing aircraft and one helicopter—company officials are confident there are enough patients in the area to accommodate both St. Luke's Air St. Luke's and St. Alphonsus' Life-Flight programs.

- The Idaho Elks Rehabilitation Hospital announced in mid-July between 40 and 60 employees would be laid off as the Boise facility struggles with declining admissions. The staff reductions occurred hospital-wide with each department cutting costs.
- Albertsons, Inc. announced in late July it has dropped the apostrophe from its official name for consistency, according to company officials. The company also announced plans for a major expansion in Texas. The company plans to roll out a four-year, \$107 million investment in Austin that will include remodeling, new gas stations, and new stores. Company officials say that the investment is meant to strengthen and increase market share. Albertsons also presented a \$100,000 check to the Susan G. Komen Breast Cancer Foundation after it made the commitment to donate 25 cents for each customer who signed up for the Preferred Savings Card to a maximum of \$100,000. The Foundation will divide the donation among its four branches in Idaho, Montana, Nevada, and Utah.
- ProClarity Corp. received \$7.75 million from a Palo Alto, California, venture capital firm, Summit Accelerator Fund. The firm invests in profitable companies with a strong cash flow and who offer a strong product in the analytic market.
- ZiLOG and USA Technologies recently signed a letter of intent to work together to develop vending and point-of-sale reference designs. This technology would allow PDAs, cell phones, and other wireless applications to communicate with vending machines, bar code scanners, and credit accounts. Both companies will share in the cost of developing and marketing the technology. The deal is expected to be finalized in late August. The move is part of a trend on ZiLOG's part to change the way it markets its technology.
- MicronPC entered into a \$6 million contract to supply computers to the U.S. Army Reserve. The com-

pany also announced the unveiling of two new notebook computers in July, the Transport T1000 and the Transport V1000. The T1000 weighs about five pounds and is one of the fastest, lightest, fully featured notebook computers on the market. The notebook, which can accommodate a variety of peripheral options and includes a fingerprint scanner, retails for about \$2,050. The V1000 is being marketed as MicronPC's lowest priced notebook computer, with prices starting at \$1,199. The V1000 weighs 7.5 pounds and company officials say that this full-feature model is an affordable, solid performer.

- The Snake River Stampede, held in early July in Nampa, brought about \$1 million into the community through hotel bookings and increased activity for local businesses, services, and other organizations. This year, 630 cowboys and cowgirls signed up to compete during the five-day rodeo for a record \$316,659 in total prize money. The rodeo also is a major fundraising event for a number of Canyon County entities including Canyon County 4-H, Kiwanis Club of Nampa, Nampa Exchange Club, and Nampa Lions Club. The event operates using a vast number of volunteers.
- Environmental Oil Processing Technology Corp. recently installed new equipment used in the process of producing gasoline, diesel fuel, burner fuel, and residue from used oil. Equipment includes a stripping column, three exchangers, nine pumps, gasoline accumulators, air coolers, and a custom-designed vessel. In addition, the company replaced an existing control system with a new digital system and installed new control valves and transmitters. Overall, the changes are expected to produce a higher-quality product with fewer residues that will plug processing equipment. The plant was operational at the end of July.
- Construction of the Walgreens continues at Tenth Avenue and Cleveland Boulevard in Caldwell, even though scaffolding collapsed in mid-July after a windstorm swept through the county. The store is scheduled to open in February. The 13,650-square-foot store will feature a drive-through pharmacy and one-hour photo service, and will sell groceries and household items.
- Recent business happenings in Ada County include: the re-opening of Towne Square Cinemas, leased by the Reel Theaters, which will show medium run (partially discounted) movies; the finalization of General Growth Properties' purchase of Boise Towne Square from JP Realty Properties in early July; the opening of Fish, Aquariums & Stuff located at 10536 Fairview Avenue in Boise; the leasing of space for a new Headshots outlet in the Fairview Plaza West, located at 10542 Fairview Avenue in

Boise; leasing of space for a new Commercial Tire outlet in the Central Park Commerce Center located at 2240 South Cole Road in Boise; the opening of an Arby's franchise in the Family Center at Family Way; leasing of space for a new Wireless Gateway outlet at the Franklin Towne Plaza located at 1951 Saturn Way; the purchase of Denton's Printing in Boise by BizPrint and Cahill Jones; approval by the Boise City Council of the use of a North End home as a halfway house for 18- to 20-year-olds leaving the criminal justice system; approval from the Ada County Commissioners to construct a 300- to 400-bed addition to the county jail; and the construction of the first commercial building in Harris Ranch, Mill Station, which started in mid-July.

- Recent business happenings in Canyon County include: the opening of Harvest Classic Deli located at 914 Park Centre Way in Nampa; the relocation of Mott's Flower Shop from 319 Twelfth Avenue South to a new home at 212 Fourteenth Avenue South in Nampa; the opening of Rock, Paper, Scissors, a retail outlet for scrapbooking, card making, and rubber stamp supplies at 732 Caldwell Boulevard in Nampa; a recent groundbreaking for Alsip 7 Persons Funeral Chapel for its upcoming renovation at its location at 404 Tenth Avenue South in Nampa; the opening of a new Dollar Store at 5210 East Cleveland Boulevard in Caldwell; the re-opening of Mancino's Pizza & Subs at 2412 East Cleveland to celebrate the new owners; and the openings of Oasis Day Spa and Wellness Center, Bennett Chiropractic Center, and Oasis Café at 923 Grant Street in Caldwell.

### **Adams County**

- Council's Brown Building, which was remodeled recently, now has three tenants. The new Chamber of Commerce office is located in the building as well as the Washington Adams Visions for Entrepreneurship group (WAVE). Community and Economic Development Consultant Jim Birdsall also has an office in the building. The newest addition for the Brown Building is a private, non-profit library that will contain over 8,000 books on economics and business. The Center for the Study of Market Alternatives Library Collection was compiled in 1972, was housed at Albertson College for ten years, moved to Boise State and will now be kept in the Brown Building. The collection is not intended for public use, although a reading room is planned that will be open to the public.

### **Boise County**

- Warm Springs Resort in Idaho City closed recently when a private family purchased the hot springs, pool, cabins, and campground on 77 acres. The previous owners tried to sell the resort to the city or a

community organization, but those efforts failed. The new owners do not intend to reopen the resort to the public.

### **Elmore County**

- The Mountain Home Chamber annual event, the Barbecue, Bingo, Golf and Auction (BBG&A), took place in early July and had its most successful year on record. The yearly event is usually the largest fundraiser for the Chamber of Commerce. More than 80 golfers played in the tournament, a slightly smaller group gathered for bingo, more than 155 meal ticket holders gathered for the barbecue, and at the end, 73 items/packages were offered for bid at the auction. A 1984 Ford Ranger brought in the highest bid for a single item. No final figures were released on how much money the Chamber raised for the effort.
- Pioneer Financial Services, a wholly owned subsidiary of Pioneer Federal Credit Union, recently acquired Mountain Home Insurance Agency, Inc. Adding the insurance agency to existing offerings allows Pioneer Financial Services to provide its clients with a well-rounded package of financial services. The business is located at 210 South Third East Street in Mountain Home.

### **Gem County**

- Recent business happenings in Gem County include the opening of Y & J's Classical Boutique-N-Things. The business offers clothing, gifts and jewelry. Antiques and new items are added frequently. The business is located at 107 West Second Street in Emmett.

### **Payette County**

- Ogawa's Teriyaki Hut recently opened at Poose's Country Store located at North Sixteenth Street in Payette. The restaurant specializes in teriyaki chicken rice bowls, California rolls, teriyaki beef, and mafa chicken. Student specials are available during the school year.
- Energy Development Group (EDG) recently presented plans to the Payette County Commissioners to construct a 300-megawatt generating plant about 1.5 miles southwest of Payette. The system would use a high-efficiency combined cycle system to turn natural gas into steam and electricity. The project would cost nearly \$125 million and would create 250 construction jobs and 15 to 20 full-time jobs. Before the project can continue, Idaho Power must give permission for EDG to have access to Idaho Power's lines, which would most likely include a feasibility study.

### **Valley County**

- Boise Corp. (formerly Boise Cascade) held an auction of the company's Cascade sawmill building and

equipment in late-July. After buyers pick up the equipment the dismantling of the mill will begin, which is expected to start in October. Company officials hope to have the structure removed before the first heavy snow. Next spring, the company will start rehabilitating the site in a process that could take a few years. No information was released on what the company will do with the land once the dismantling and clean-up projects are finished.

- The McCall office of the Idaho Small Business Development Center (SBDC) recently moved from 100 North Third Street in McCall to the McCall Job Service Building at 299 South Third Street. All services and the telephone number (634-2883) will remain the same, including one-on-one consulting on a variety of small business topics including start-up issues, financial topics, cash flow, accounting, business plans, marketing, and personnel.
- In July, the McCall-Donnelly High School started using its new, fully electronic classroom for training teachers how to tie technology into daily instruction. The room is equipped with rows of flat-screen monitors, white screens in place of blackboards, video cameras, scanners, laser jet printers, and microphones. The new classroom was funded by a grant from the J.A. and Kathryn Albertson Foundation. The classroom will be open to McCall-Donnelly students, staff, and district residents during the school year.

### **Washington County**

- The Weiser Police Department announced in early June that a 30- by 50-foot building will be constructed just north of the Greenhouse in Memorial Park; City Council members approved the project. The new building will house the Department's successful after-school program. Currently, the Greenhouse shelters all indoor activities and cannot accommodate all participants. The new building would be used exclusively for recreation. The project should be completed by the end of September.
- Other recent happenings in Washington County include the opening of a Quinco Credit Union branch in Weiser and the demolition of the Eastside Market, located at the northeast corner of Main and Seventh Streets in Weiser.

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# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate for the Magic Valley Labor Market Area for June 2002 was 3.7 percent. This is one-tenth of a percentage point lower than May 2002 and three-tenths of a percentage point lower than June 2001. Employment continues to be strong in the Magic Valley and an unemployment rate below 4.0 percent is excellent.

There are some signs of slowing in the *Nonfarm Payroll Jobs*. Year-over-year, the overall *Nonfarm Payroll Jobs* are down 0.3 percent or a total of 110 jobs. Recent cutbacks in state budget appropriations in *Government Education* and *Government Administration* have resulted in a 2.5 percent and 3.0 percent decline, respectively, from last year. Also, *Transportation, Communications, & Utilities* and *Finance, Insurance, and Real Estate* have also dropped by 2.3 percent and 4.4 percent, respectively. The areas that have shown the greatest gains from last year are *Manufacturing-Durable Goods* and *Services*, which posted 4.6 percent and 3.9 percent gains, respectively. At present, the Magic Valley economy continues to be strong. In fact, compared to other areas of the state, it seems to be one of the top performers. Consumer confidence remains strong, especially in western Magic Valley, and thus far the local economy has weathered some of the national economic problems caused by huge bankruptcies and accounting scandals.

## SPECIAL TOPIC

### Mid-Year Assessment 2002

The Magic Valley economy has been an outstanding performer in the first half of 2002. Performance in a number of leading indicators, especially strong in the first quarter, has helped to produce robust economic health. In 2001, the city of Twin Falls set a record for new housing starts, and so far in 2002 it remains on a record pace. Retail sales in the first quarter were up in every county in

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding counties

	June 2002*	May 2002	June 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	49,780	50,080	49,590	-0.6	0.4
Unemployment	1,840	1,900	1,970	-3.2	-6.6
% of Labor Force Unemployed	3.7	3.8	4.0		
Total Employment	47,940	48,180	45,090	-0.5	6.3
<b>Unadjusted</b>					
Civilian Labor Force	50,620	50,340	50,410	0.6	0.4
Unemployment	1,720	1,740	1,840	-1.1	-6.5
% of Labor Force Unemployed	3.4	3.5	3.7		
Total Employment	48,900	48,600	48,570	0.6	0.7
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	39,300	39,200	39,410	0.3	-0.3
<b>Goods-Producing Industries</b>	7,210	6,910	7,190	4.3	0.3
Mining & Construction	2,080	1,950	2,080	6.7	0.0
Manufacturing	5,130	4,960	5,110	3.4	0.4
Durable Goods	910	900	870	1.1	4.6
Nondurable Goods	4,220	4,060	4,240	3.9	-0.5
Food Processing	3,180	3,060	3,190	3.9	-0.3
All Other Nondurable Goods	1,040	1,000	1,050	4.0	-1.0
<b>Service-Producing Industries</b>	32,090	32,290	32,220	-0.6	-0.4
Transportation, Comm., & Utilities	2,540	2,680	2,600	-5.2	-2.3
Wholesale Trade	2,360	2,350	2,340	0.4	0.9
Retail Trade	8,110	8,060	8,320	0.6	-2.5
Finance, Insurance, & Real Estate	1,310	1,290	1,370	1.6	-4.4
Services	10,360	10,380	9,970	-0.2	3.9
Government Administration	3,930	3,850	4,050	2.1	-3.0
Government Education	3,480	3,670	3,570	-5.2	-2.5

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

South Central Idaho. The past winter did not start out to be a promising year for water storage, but it turned out to be adequate to sustain the crop year. The spring run off of water was almost perfect as cool weather prevailed. After a large drop off in the wake of the September 11 terrorist attacks, tourism has rebounded to nearly normal levels. The Sun Valley area reported a nearly normal year and the Pomerelle Ski Resort in Cassia County had record crowds. Construction continues to be strong in the Magic and Wood River Valleys and those jobs have helped the economy immensely. Expanded hiring at Dell Computers helped increase new job creation in the technology sector. Agricultural hiring has been strong this year and the dairy and food-processing industries, particularly the cheese industry, continues to be strong. Commodity prices are showing improvement and the outlook for the fall harvest is cautiously optimistic.

However, there are threats to the overall economic well-being. Nationally, both the Dow Jones and NASDAQ stock markets are reeling in a very

perplexing bear market. This sector-oriented versus cyclical market has many analysts worried in that it does not seem to follow any typical pattern. Temporary rallies are being crushed by huge sell-offs and even bargain hunters are showing unusual caution. Much of the difficulty has occurred from the huge bankruptcies and accounting scandals, particularly from WorldCom and Enron. It has shaken investor faith in the market and reliance on earnings figure accuracy that is a key basis for investing. How that will affect the Magic Valley economy remains to be seen, but local investors are worried about pension plans and mutual fund investments. Closer to home, the May 3, 2002 announcement of the closure of the J.R. Simplot potato processing plant in Heyburn has sent shock waves throughout all of southern Idaho. By the proposed closure date of April 2004, over 600 people at the plant and many others in surrounding sectors will lose their jobs. This cannot fail to have a serious and extreme effect on the Mini-Cassia economy and ripple effects throughout all of southern Idaho. Simplot contracts approximately 24,000 acres of potatoes in several counties and this recent decision will cause farmers to make hard choices regarding crop mix next year. Consumer confidence in the affected area is already somewhat shaken and the adverse effect to the local economy will likely be measured in the tens of millions of dollars.

However, despite threats to economic well-being, the Magic Valley continues to be a bright spot in Idaho. Consumer confidence valley-wide remains good and positive indicators are still present. New businesses, such as WOW Logistics, Inc. in Jerome and several new retailers on the North Canyon Rim in Twin Falls, continue to create jobs. Economic development has been proceeding well both in the western Magic Valley and now in Mini-Cassia with the joining of the Mini-Cassia area to the Southern Idaho Economic Development Organization (SIEDO). The outlook for the rest of 2002 is for continued low unemployment rates but some marked slowing in nonfarm job growth is anticipated, especially in the fall when school district cutbacks make themselves known. Consumer confidence will continue to be good in western Magic Valley but will probably sag noticeably in the Mini-Cassia area as the first round of Simplot layoffs hits the first of November. Much of the Sun Valley area tourism will depend on snow conditions and the ability to attract tourists around the holiday season. In summary, the Magic Valley economy will cool somewhat in the second half of 2002, but should continue showing low unemployment and, despite slowing numbers, remain one of the state leaders in job creation.

## **AREA DEVELOPMENTS**

### **Cassia and Minidoka Counties**

- The J.R. Simplot Company announced on July 19 that its initial layoffs will not be as large as originally expected. Instead of the 470 layoffs originally

announced, the company plans to lay off approximately 320 on November 1, 2002. These layoffs will be completed by November 14, 2002. The company also announced that the trucking division and the warehouse division may remain in some capacity even after the plant closure in 2004. In doing this, the company is reducing from four operating lines to three instead of two as originally expected. These remaining lines, which employ between 250 and 275 workers, should remain in some capacity until the plant closes in April 2004.

- The Mini-Cassia Chamber of Commerce and Mini-Cassia Development Commission both unanimously voted to join the Southern Idaho Economic Development Organization (SIEDO) to give South Central Idaho a regional economic development group. First Federal Bank agreed to match any businesses' contribution toward the \$20,000 entrance fee up to \$10,000. On July 18, Jan Rogers, Executive Director of SIEDO, spoke at the Mini-Cassia Chamber luncheon at the Rupert Elks Clubs. She discussed the advantages of a regional approach and emphasized that marketing efforts and economic development were already underway in the area. She emphasized SIEDO's commitment to working with local economic development personnel and area leaders, which will contribute to creating a strong team effort and regional cooperation.
- A Burley-area grain company has purchased the former Simplot Agrisource to help keep jobs in the area. The new company, called Agrisource, purchased the Simplot facility for an undisclosed purchase price. Other terms and conditions of the sale have not been made public. However, this does retain approximately 25 jobs that might otherwise have been lost in the wake of the closure of the Simplot Processing Plant.
- Windland, Inc. officials in Boise announced that the first commercial wind farm in Idaho is expected to be operating in Cassia County in about two years, generating enough power to supply electricity to 40,000 customers in the northwest United States. The company will construct its wind farm on Cottrell Mountain in southeast Cassia County. The facility is expected to generate 200 megawatts of power. The plan calls for erecting 130 turbines on 4,600 acres that the company will lease from the U.S. Bureau of Land Management. Construction of the project is expected to begin in early 2004 with completion and operation expected by fall of the same year. The facility could employ 20 or more people.

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# SOUTHEAST IDAHO

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA, & POWER COUNTIES

## EMPLOYMENT TRENDS

The Pocatello Metropolitan Statistical Area's seasonally adjusted unemployment rate jumped six-tenths of a percentage point to 5.7 percent in June from 5.1 percent in May, as shown in Southeast Idaho Table 1. June's rate is 1.1 percent above the 4.6 percent rate experienced one year ago. The current rate is four-tenths of a percentage point higher than the state rate of 5.2 percent and three-tenths of a percentage point lower than the national rate of 5.9 percent.

The number of *Nonfarm Payroll Jobs* decreased by 650 between May and June because schools closed for summer and jobs in *Government Education* declined by 1,130. Normal seasonal changes occurred between May and June. *Construction* added 160 jobs as residential and road construction projects began throughout the area, *Services* added 170 jobs as agricultural and recreational activities increased, and *Government Administration* increased by 100 jobs as road repairs and parks and recreation activities increased. *Nonfarm Payroll Jobs* declined by 230 from June 2001 to June 2002. Declines were evenly split between the *Goods* and *Service Producing Industries*—specifically, *Construction* (160) and *Retail Trade* (350). The lack of major commercial construction projects and the closure of two retail trade stores, along with minimal summer hiring, contributed to fewer jobs in June 2002 compared to June 2001.

## SPECIAL TOPIC

### Economic Impact of Astaris Closure

It has been just over a year since the first round of Astaris layoffs occurred prior to its closure at the end of 2001. In 2001, Astaris, formerly the FMC Corporation, announced it would decrease production of elemental phosphorus and incrementally decrease its workforce throughout the year, beginning with a layoff in June. The June 2001 layoff, which affected approximately 75 workers, occurred as planned. Then, as international competition intensified,

Southeast Idaho Table 1: Labor Force & Employment  
Pocatello City MSA (Bannock County)

	June 2002*	May 2002	June 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	41,580	41,200	41,290	0.9	0.7
Unemployment	2,360	2,080	1,890	13.5	24.9
% of Labor Force Unemployed	5.7	5.1	4.6		
Total Employment	39,220	39,119	39,400	0.3	-0.5
<b>Unadjusted</b>					
Civilian Labor Force	40,730	41,150	40,440	-1.0	0.7
Unemployment	2,270	2,020	1,800	12.4	26.1
% of Labor Force Unemployed	5.6	4.9	4.5		
Total Employment	38,460	39,130	38,640	-1.7	-0.5
JOBS BY PLACE OF WORK					
<b>Nonfarm Payroll Jobs**</b>	32,770	33,420	33,000	-1.9	-0.7
<b>Goods-Producing Industries</b>	4,610	4,460	4,720	3.4	-2.3
Mining & Construction	1,880	1,720	2,000	9.3	-6.0
Manufacturing	2,730	2,710	2,720	0.7	0.4
<b>Service-Producing Industries</b>	28,160	18,980	28,280	48.4	-0.4
Transportation, Comm., & Utilities	1,780	1,760	1,780	1.1	0.0
Wholesale Trade	1,350	1,350	1,400	0.0	-3.6
Retail Trade	6,570	6,580	6,920	-0.2	-5.1
Finance, Insurance, & Real Estate	1,770	1,750	1,730	1.1	2.3
Services	8,550	8,380	8,470	2.0	0.9
Government Administration	3,630	3,530	3,540	2.8	2.5
Government Education	4,510	5,640	4,440	-20.0	1.6

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

power rates soared, and the U.S. economy weakened, Astaris ceased production and closed its facility west of Pocatello in December 2001. Since then, several former employees have found work or retired, several are enrolled in training programs or college, some have been retained by Astaris for clean-up work at the facility, some have moved, while others continue their work search. Still, the full impact of the facility's closure remains unknown but is significant.

Because of relatively high wages and good benefits earned by former Astaris workers, a lack of comparable jobs available in the community, and other factors, there will be a negative multiplier effect on other jobs in the area from the Astaris layoffs; it is predicted the effect will negatively impact 2.2 – 2.5 percent of all other jobs in the area. For example:

- An estimated 25 percent of Astaris workers retired and their incomes continued but at a reduced level, impacting the ability for their money to recirculate in the community.
- An estimated 10 percent of the workers were hired by FMC for clean up and incomes of those workers continued.
- Between the more than 200 Astaris workers who were laid off initially and approximately 75 workers from the June reduction, there was a total loss of 280 jobs. Using a 2.5 percent multiplier, the Astaris closure

could affect another 420 jobs in the area either by elimination, reduction of hours, or a change in compensation.

- Astaris' annual average wage of \$52,000 exceeds the average annual covered wage of the area by approximately \$26,000. This has the potential to eliminate approximately \$7,280,000 of spending power, per year, in the Pocatello area.
- The elimination of approximately 200 construction jobs from Astaris' LDR project, with an estimated average annual income of \$40,000, eliminated another \$8 million a year in wages for the duration of the project. The LDR construction project was expected to last from three to five years.
- Astaris estimates that subcontractors who worked on projects at the West Pocatello facility averaged about 100 employees at the plant for about 75 percent of the year, which equals approximately \$3 million annually in wages.
- The immediate impact of these wage losses was reduced by the maximum Unemployment Insurance benefit amount these workers received, which totaled at least \$2.4 million for Astaris employees and \$1.6 million for construction workers.
- Astaris workers enrolled in training may have been eligible for an additional 25 weeks of unemployment benefits.
- Power County will lose about \$1 million in tax revenue per year.

The projected economic loss of wages, benefits, and taxes could reach over \$40 million the first year and as much as \$30 million annually.

## AREA ECONOMIC DEVELOPMENTS

- A new business, TetriDyne Solutions, Inc., will begin operating in Pocatello at the Idaho State University Business and Research Park. The new company is a data integration and management software products business. It will employ five people initially and expects to expand to 60 employees within two years.
- T.J. Maxx opened a retail store at the new Cobblestone Creek Shopping Center in Pocatello. The 23,533-square-foot store, which offers family apparel and accessories, house wares, and gifts, will employ 75 people.
- Bannock Regional Medical Center opened its 12,000-square-foot Behavioral Health Center. The \$1.5 million project added approximately 40 jobs in the area; 24 full time positions, 1 part-time position, and 20 per diem positions. The center is located below the transitional care/geriatric care building on Memorial Drive.
- American MicroSystems, Inc. of Pocatello announced another round of layoffs. The company

recently purchased a semiconductor business in Belgium and attributes the layoffs to redundancy and also the slow economic recovery in the U.S. Several workers opted for voluntary separation and an additional 47 workers were furloughed. Most of the layoffs were in the manufacturing division. The company still plans to build an engineering and research center in Pocatello.

- Lava Hot Springs will begin a \$1.2 million upgrade of its water system. The city has been plagued with insufficient water storage and poor water quality and pressure. The upgrade will include removal of a contaminated well from the system, installation of a larger storage tank and new water lines, improvement of well houses, and installation of water meters. Plans call for the upgrade project to take place in 2003.
- Antigo Cheese Company has purchased Suprema Cheese in Blackfoot, which closed in March 2002. Antigo is an 80 percent employee-owned company from Antigo, Wisconsin. Because basic facility maintenance was continued since Suprema closed in March, Antigo expects to begin limited production by the end of August, employing as many as 28 people. The company plans to increase to full production with as many as 50 employees.
- Work continues on the Franklin County fire and ambulance station in Preston. The facility will house fire trucks and ambulances, equipment and supplies, and provide a training room for fire and ambulance workers. The building should be completed and in use by September.
- The addition to the Oneida County Library in Malad is nearly finished. The addition, which extended the library by 20 feet, should be completed by the end of summer.
- Construction of the new American Falls High School in American Falls is complete and ready for students to begin the fall 2002 school year. The 142,000-square-foot facility, which has been under construction since May 2000, can accommodate up to 650 students. It includes an 800-seat auditorium, 1,400-seat gymnasium, and carried a price tag of nearly \$14 million.
- Spring Creek Manor in American Falls has expanded its facility and added 4,100-square feet of space. The expansion added six rooms to the facility to accommodate increased use.

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# NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

## EMPLOYMENT TRENDS

The seasonally-adjusted unemployment rate for the Bonneville Labor Market Area (LMA) was forecast at 3.6 percent for June, up two-tenths of a percentage point from the previous month and from one year ago, as shown in Northeast Idaho Table 1. The LMA is 1.6 percentage points lower than the state rate of 5.2 percent and 2.3 percentage points lower than the national unemployment rate of 5.9 percent. Each of the four counties increased two-tenths of a percentage point over the month except Bingham, which increased one-tenth of a percentage point. As school recessed for summer break, new and seasonal employees entered the workforce, increasing the *Civilian Labor Force* count. Because the employment status of these new entrants also is counted, this can cause changes in the unemployment rate. In this case, the percentage of unemployed increased, thus raising the unemployment rate, both month-over-month and year-over-year. Bonneville and Jefferson Counties increased 0.3 percentage points from June 2001, while Butte and Bingham Counties decreased 0.6 and 0.1 percentage points, respectively. Idaho Falls, the largest city in the LMA, increased 0.3 percentage points month-over-month and 0.4 percentage points from June 2001.

Other counties in Northeast Idaho saw either no change or small increases over the month with the exception of Custer and Clark Counties, which decreased nine-tenths of a percentage point and three-tenths of a percentage point, respectively. Two of the counties, Clark and Teton, increased from June 2001, with Teton County showing a gain of 1.8 percentage points. Teton County was affected by the national economic slump and the events of 9-11 because it is largely dependent on tourism. All other counties showed decreases in the unemployment rates, with Fremont and Custer Counties showing the largest at 0.8 and 0.6 percentage points, respectively. As shown on

Northeast Idaho Table 1: Labor Force & Employment  
Bonneville, Bingham, Butte, & Jefferson counties

	June 2002*	May 2002	June 2001	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b><i>Seasonally Adjusted</i></b>					
Civilian Labor Force	83,200	82,020	82,950	1.4	0.3
Unemployment	3,010	2,820	2,840	6.7	6.0
% of Labor Force Unemployed	3.6%	3.4%	3.4%		
Total Employment	80,190	79,200	80,120	1.3	0.1
<b><i>Unadjusted</i></b>					
Civilian Labor Force	84,410	82,280	84,180	2.6	0.3
Unemployment	2,670	2,360	2,500	13.1	6.8
% of Labor Force Unemployed	3.2%	2.9%	3.0%		
Total Employment	81,740	79,920	81,680	2.3	0.1
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	64,470	62,930	64,650	2.4	-0.3
<b><i>Goods-Producing Industries</i></b>	10,040	9,370	10,220	7.2	-1.8
Mining & Construction	4,950	4,390	4,660	12.8	6.2
Manufacturing	5,080	4,980	5,560	2.0	-8.6
Food Processing	2,340	2,300	3,040	1.7	-23.0
Ind. & Com. Mach. & Computer Equip.	570	530	440	7.5	29.5
All Other Manufacturing	2,180	2,150	2,080	1.4	4.8
<b><i>Service-Producing Industries</i></b>	54,430	53,560	54,430	1.6	0.0
Transportation, Comm., & Utilities	2,380	2,300	2,470	3.5	-3.6
Wholesale Trade	5,480	5,440	5,870	0.7	-6.6
Retail Trade	11,680	11,530	11,350	1.3	2.9
Finance, Insurance, & Real Estate	1,960	1,950	1,900	0.5	3.2
Services	21,690	21,330	21,540	1.7	0.7
Government Administration	5,700	5,350	5,860	6.5	-2.7
Government Education	5,540	5,660	5,440	-2.1	1.8
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

State Table 1 on page 3, June 2002 unemployment rates for Northeast Idaho counties were average for the state and, in some cases, even lower than average: Clark 3.1, Custer 5.9, Fremont 5.4, Lemhi 5.9, Madison 1.8, and Teton 3.8. Madison County had the lowest rate in the state.

*Nonfarm Payroll Jobs* increased by 1,540 jobs month-over-month with *Goods-Producing Industries* and *Service-Producing Industries* adding almost equally. *Construction* added the most of any industry with a gain of 560 jobs. *Special Trade* jobs alone added over 400. *Manufacturing* added 100 jobs, almost equally from the three sectors listed (*Food Processing, Industrial & Commercial Machinery & Computer Equipment, All Other Manufacturing*). *Service-Producing Industries* showed gains in all industries except *Government Education* as would be expected with most schools experiencing summer breaks. *Hotels & Other Lodging* added over 110 jobs of the 360 job gain in *Services*. Again, this is expected with tourism season kicking in at the onset of summer. *Business Services* and *Amusement & Recreation* also had gains of over 50 jobs each. *Government Administration* experienced a large gain as local and federal government put on workers for the season.

A year-over-year comparison shows an overall loss in *Nonfarm Payroll Jobs* of almost 200. A decrease of 700 jobs in *Food Processing* caused *Manufacturing* to show the largest industry drop for that time period. *Wholesale Trade* experienced a loss of almost 400. Though jobs in *Manufacturing* and *Wholesale Trade* are classified as nonfarm, they are highly affected by the agricultural industry due to the product that both industries typically use in the LMA—potatoes. Automation of equipment and good potato prices added to a quick and efficient year for handling the crop, reducing the need for as many workers as used in years past. A decrease in almost 1,000 jobs was seen between *Manufacturing* and *Wholesale Trade* year-over-year. Larger gains were seen in *Construction* as the season is almost at full-capacity, and *Retail Trade*, specifically *General Merchandise*, *Apparel*, and *Eating & Drinking Establishments*.

## AREA DEVELOPMENTS

### Bonneville County

- Thrifty Car Sales opened in Idaho Falls on the corner of Woodruff Avenue and Lincoln Road at the end of May. It specializes in selling used, late-model cars from rental lots and corporate fleets. The company is based in Tulsa, Oklahoma, and owns Dollar Rental Car. It has about 60 Thrifty outlets and plans to add 40 more this year.
- Taylor Crossing on the River plans to open its Chevron convenience store and gas station, along with an Iceberg Drive Inn, all under one roof on the corner of Pancheri and Utah Avenue in Idaho Falls. The development's first completed building is scheduled for a grand opening on September 21. Iceberg Drive Inn originally opened in Salt Lake in the 1960's, but recently opened to franchising opportunities. The Inn has been voted as having the best fries and shakes in Utah and is known for its oversized, hand-breaded onion rings and jumbo burgers. It will have a "Happy Days" atmosphere. The company is expected to have 20 new franchises opened by the end of 2002.
- Vickers Western Wear moved locations and opened its new 13,000-square-foot building at 2665 North Holmes Avenue in Idaho Falls in July. The company has two other stores in Pocatello. The larger location allows for an expanded selection of tack, men's suits, and ladies' clothing. The store carries a full line of cowboy boots along with a large selection of work boots, shoes, and non-Western merchandise. The company also features a "Kid's Korral" of selected items for children. The store is open seven days a week. More information can be found at [www.vickersonline.com](http://www.vickersonline.com).
- Officials in Swan Valley broke ground on a new building in July to house fire and emergency vehicles, city offices, and a county sheriff's office. It is located on Highway 31 past the Rainey Creek store. The pre-engineered steel building will take about 90 days to be up and running. The Osterkamp and Rockefeller families each donated \$25,000 to the project. The 2-acre plot of land it will occupy was donated by Rainey Creek, LLC.

- The Idaho Falls Regional Airport finished its second of three phases of construction—the middle section of the airport. It now has new jet bridges that will allow the airport to accommodate smaller commuter planes and jets along with 737s. Escalators bring passengers to the level where the bridges attach. Because of these new renovations, Big Sky Airlines has agreed to fly two non-stop 19-seat commuter flights daily from Idaho Falls to Denver starting September 16, bringing the number to three airlines that will fly out of the airport. Big Sky Airlines is based in Billings, Montana, and operates in eight states.
- K & R Adventure Gear, a small outdoors company that was located in Stonewalls Rock Gym, moved into Rogers Hotel on Shoup Avenue in Idaho Falls in July. The store specializes in gear for hikers, climbers, and skiers. The company has the philosophy to "try before you buy," and use special elevated structures that are set up for customers to try out equipment for fit and preference before purchasing. The store occupies 1,300-square feet.
- Grandpa's Southern Barbeque opened on West Broadway in Idaho Falls in July. Owners Taro and Karen Golden, friends of the owners of the Grandpa's in Arco, jumped on the opportunity to open in the city. They offer catering and take-out and plan to add delivery service in the winter. It will be located next to the new Papa Murphy's.
- Bubba's Barbeque plans to reopen on the corner of Northgate Mile and First Street in Idaho Falls. Kasey Miller, daughter of Jim (Bubba) Shivler, will run the restaurant with her husband, Brian. They recently ran the Bubba's in Jackson, Wyoming. Call 523-2822 for specific information.
- L A Weight Loss Center opened in Idaho Falls at 503 South Woodruff Avenue in July. The company has more than 450 centers in the United States and offers one-on-one counseling, stabilization, and maintenance once weight is lost. More information is available at 1-800-764-7546.

### Madison County

- Pioneer Equipment Company, based in Houston, Texas, purchased the CASE-International Harvester contract for the Upper Valley from Tri-County Equipment and is awaiting the go-ahead to build an 18,000-square-foot building on Airport Road, north of Erickson Pontiac-GMC in Rexburg. The company plans 10,000-square feet for shop space and 8,000-square feet for parts and sales. Its 5-acre lot includes room for vehicle and equipment storage. Pioneer expects to employ up to ten people, but could increase the number to 20 if sales go well. Val Skinner from the Idaho Falls location will manage the store.

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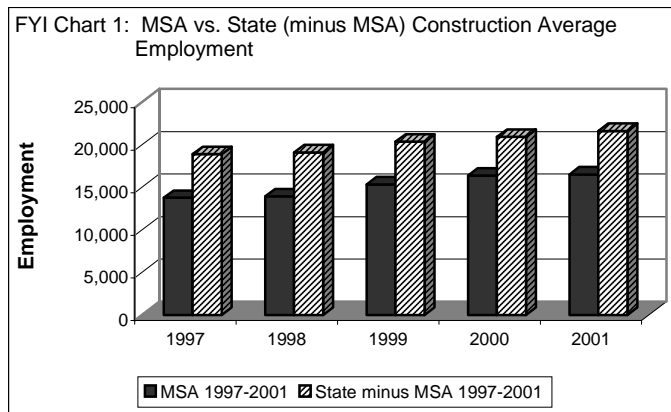


## CONSTRUCTION EMPLOYMENT IN IDAHO

### 1997-2001

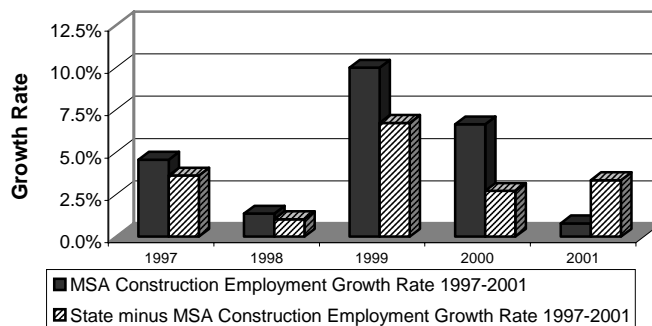
*This is the first article in a series analyzing different aspects of the Construction industry in Idaho.*

The Boise Metropolitan Statistical Area (MSA), which consists of Ada and Canyon Counties, contributes largely to Idaho's construction employment. FYI Chart 1 compares the Boise MSA construction employment to Idaho's construction employment (minus the MSA) for the last five years. The five-year average construction employment in the Boise MSA from 1997 to 2001 is 15,171 employees. The rest of the state of Idaho employed an average of 20,168 construction workers for the same five-year period.



The construction industry in Idaho has experienced steady employment and good growth over the past five years as thousands of construction jobs were created. However, the Boise MSA has grown faster than the rest of the state in each year examined except 2001. FYI Chart 2 shows the annual Boise MSA construction employment growth rate versus the annual construction employment growth rate of the rest of Idaho. In the peak year of 1999, a 10 percent growth occurred in construction employment for the MSA and nearly an 8 percent growth for the rest of Idaho. Ensuing years showed diminishing growth ending with 2001 having only 0.8 percent growth in the MSA while, for the first time in five years, the rest of Idaho outperformed the MSA, posting a 3.3 percent growth.

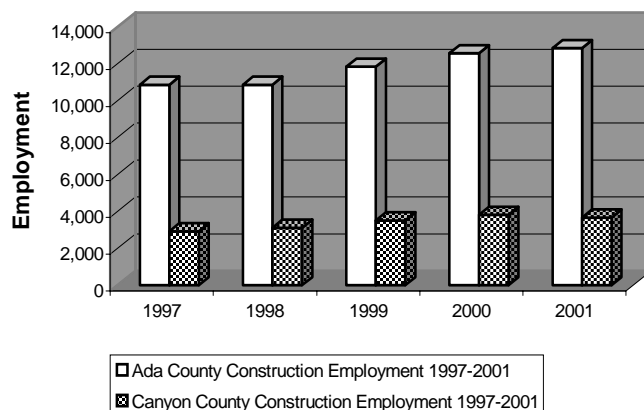
FYI Chart 2: MSA vs. State (minus MSA) Construction Employment Growth Rate



The diminished growth in the Boise MSA for 2001 can be attributed to a decrease in construction employment growth in Ada County and negative growth in Canyon County construction employment. (See FYI Chart 3.)

Despite slowed construction growth in the MSA in 2001, over the five years covering 1997-2001 Idaho has experienced employment growth in the construction industry. However, preliminary data for 2002 indicates the possibility of a lull in Idaho's construction industry.

FYI Chart 3: Ada County Vs. Canyon County Construction Employment 1997-2001



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*See more FYI on page 22*

### DATA ON LABOR FORCE TURNOVER

There are two data series that can provide information on labor force dynamics, such as job openings, hires, and terminations. One is a new survey program conducted by the U.S. Bureau of Labor Statistics (BLS). It is named the Job Openings and Labor Turnover Survey (JOLTS). The other data series comes from the Idaho Department of Labor and is called New Hire Reporting.

#### JOLTS

*The following information is reprinted from a BLS press release dated July 30, 2002, and placed on the bureau's Internet site at <http://www.bls.gov/>.*

A new data survey on job openings and labor turnover was announced recently by the U.S. Bureau of Labor Statistics. These series include estimates of the number and rate of job openings, hires, and separations for the nation, by industry and geographic region. Job openings are a measure of unmet labor demand and can be compared with unemployment, which measures unused labor supply.

Job openings refer to the number on the last business day of the month, and the number of hires and separations are for the entire month. The sample of 16,000 business establishments covers both the private sector and government. Estimates from the Job Openings and Labor Turnover Survey (JOLTS) are not seasonally adjusted, and experience suggests that there is a seasonal pattern to job openings, hires, and separations. Thus, comparisons of JOLTS estimates should be based on the same month in different years (for example, May 2002 to May 2001), and comparisons between consecutive months should not be used as an indicator of trend. In addition, BLS considers the JOLTS estimates to be developmental. See the **Background** and the **Technical Note** sections later in this article for additional information.

This first release of JOLTS estimates covers the period from May 2001 to May 2002 and shows that nationally:

- The number and rate of job openings in May 2002 were substantially lower than a year earlier. On the last business day of May 2002, there were 3.5 million job openings, 2.6 percent of the number of total filled and unfilled positions (employment plus job openings) in the United States. This was down significantly from 4.3 million openings, or a job openings rate of 3.2 percent, in May 2001. (See tables 1 and 2.) Over the same period, the total U.S.

unemployment rate (not seasonally adjusted) rose to 5.5 percent from 4.1 percent a year earlier.

- Over the year ending in May 2002, the largest decline in job openings occurred in construction, where the rate fell from 3.4 percent to 1.9 percent. Large declines also occurred in retail trade, services, and mining. Job openings held relatively steady compared with a year ago in manufacturing and government.
- The pace of hiring also declined compared with a year ago. The hires rate, or the number of hires during the month divided by employment, was 3.7 percent in May 2002, down significantly from 4.3 percent a year earlier. Hires are any additions to the payroll during the month. The hires rate was lower in most industry divisions in May 2002 than in May 2001.
- The total separations, or turnover, rate (the number of separations during the month divided by employment) was 3.1 percent in May 2002, down significantly from 3.7 percent a year ago. Separations are terminations of employment that occur at any time during the month. Total separations includes quits (voluntary separations), layoffs and discharges (involuntary separations), and other separations (including retirements). The quits rate, which can serve as a barometer of workers' ability to change jobs, was down significantly, falling to 1.8 percent in May 2002 from 2.2 percent in May 2001. The rates of layoffs and discharges and other separations were little changed over the year.
- Hires and separations estimates help show dynamic flows in the labor market that net changes in the employment level do not. Over the year ended in May 2002, nonfarm payroll employment declined by 1.4 million. In the same period, 52.3 million hires and 52.9 million separations occurred at U.S. businesses.

#### Background

The Bureau of Labor Statistics has collected job openings and turnover data in the past, but not in a way that covered all industries and the entire nation on an ongoing basis. The new survey collects monthly job openings and labor turnover data from a random sample of 16,000 nonfarm business establishments, including factories, offices, and stores, as well as federal,

state, and local government entities in the 50 states and the District of Columbia.

The data elements collected monthly from each cooperating establishment are: employment for the pay period that includes the 12th of the month; job openings on the last business day of the month; and hires, quits, layoffs and discharges, and other separations for the entire month. The measure of job openings is a one-day snapshot at the end of the month, while the hires and separations measures represent flows of workers into and out of jobs over the course of the full calendar month.

In responding to the survey, employers are asked to report only those job openings for which 1) a specific position exists, 2) work could start within 30 days, and 3) the employer is actively recruiting from outside of the establishment to fill the position. Hires are any additions to the payroll, and separations are any separations from the payroll, including quits, layoffs and discharges, and other separations (retirements or transfers to other locations). For hires and separations, firms are asked to exclude employees returning from or going on strike—employees of temporary help agencies, leasing companies, outside contractors, or consultants—and employees changing jobs within the establishment. Data on employees of temporary help agencies, leasing companies, outside contractors, and consultants are reported by employers in those industries.

Job openings, hires, and separations levels and rates are available for the nation, for the total private sector and nine private industry divisions based on the Standard Industrial Classification (SIC) system, and for the total public sector, with breakouts for the federal government and for state and local government combined. Levels and rates also are published for four geographic regions—the Northeast, South, Midwest, and West. JOLTS industry estimates are scheduled to be converted to the North American Industry Classification System (NAICS) in 2003.

The estimates from the JOLTS program are considered developmental and caution should be exercised in drawing conclusions from them. The sample of establishments selected for the survey was not fully initiated until January 2002, and therefore JOLTS estimates for January 2002 forward are based on more survey responses. In March 2002, BLS procedures for collecting hires and separations data were revised to address possible underreporting. As a result, JOLTS hires and separations estimates for months prior to March 2002 may not be strictly comparable with estimates for March 2002 and later.

### **Uses of the Data**

As the monthly JOLTS time series grow longer, their value in assessing the business cycle, the difficulty that employers have in hiring workers, and the extent of the

mismatch between the unused supply of available workers and the unmet demand for labor by employers will increase. Of particular interest will be the study of the complex relationship between job openings and unemployment. While these two measures are expected to move in opposite directions over the course of the business cycle, their relative levels and movements depend on the efficiency of the labor market in matching workers and jobs.

Along with the job openings rate, trends in hires and separations may broadly identify which aggregate industries face the tightest labor markets. Quits rates may provide clues about workers' views of the labor market or their success in finding better jobs. In addition, businesses will be able to compare their own turnover rate to the national, regional, and major industry division rates.

Hires and separations estimates cannot completely explain net changes in payroll employment. Research shows that some reporters systematically underreport separations relative to hires due to a number of factors, including the nature of their payroll systems and practices. The shortfall appears to be about 2 percent or less over a 12-month period. Other reasons why it is problematic to compare changes in payroll employment with hires and separations, especially over short-term periods, are: 1) the reference period for payroll employment is the pay period including the 12th of the month, while the reference period for hires and separations is the calendar month; and 2) payroll employment can vary from month to month simply because part-time and on-call workers may not always work during the pay period including the 12th of the month.

### **Future Releases**

BLS plans to update the job openings, hires, and separations series from the JOLTS survey on its website during the last week of each month. Estimates for June 2002 are scheduled for release August 30, 2002. In future months, please refer to the BLS Web site at <http://www.bls.gov/jlt/> for updates of the JOLTS series.

### **NEW HIRE REPORTING**

Beginning October 1, 1997, all Idaho employers must report all new hires to the Idaho Department of Labor within 20 days of the new worker's hire date. The purpose of this requirement is to assist in the collection of child support payments, thereby reducing the need for state-assisted child support.

This reporting requirement provides some additional labor market information. While it is not known how long the new employee's period of employment is expected to be and not all employers comply with the requirement, the data is illustrative of labor demand and labor market trends.

FYI Table 1 summarizes the annual new hire totals and provides some context by including average annual employment and the average annual unemployment rate. For these four years, new hires were 30-40 percent of total employment. However, there does not appear to be a strong association with the unemployment rate. The unemployment rate is considered to be one of several indicators of overall economic conditions, but it is a ratio calculation, not a nominal number as is the new hires.

It is now thought that there were signs as early as March 2001 that the Idaho economy was slowing down. As FYI Table 2 shows, the number of new hires increased in the second quarter (April-June 2001) by 16 percent. There was significant numerical drop-off in the first two quarters of 2002 as compared to the same period on 2001 although there was a 24 percent increase in new hires from the first quarter to the second. This might reflect the notion that employment increase is a lagging indicator of economic recovery; but, within Idaho, employment opportunities continued to expand, although the jobs count remained below the 2001 levels.

FYI Table 1: Idaho New Hires, 1998-2001			
	New Hires	Total Employment	Unemployment Rate
1998	245,662	620,217	5.0
1999	238,346	617,393	5.2
2000	229,452	625,798	4.9
2001	198,042	648,392	5.0

FYI Table 2: New Hires First 2 Quarters, 2001 & 2002		
	2001	2002
First Quarter	46,540	36,618
Second Quarter	54,188	45,366

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## PANHANDLE — (Continued from page 8)

### Kootenai County (cont.)

- Medical doctors Ronda Westcott and Jean Prince recently opened Lakeside Pediatric & Adolescent Medicine PLLC, a clinic at 1111 West Ironwood Drive in Coeur d'Alene. The Ironwood area surrounding Kootenai Medical Center (KMC) contains 134 health care providers, employing about 3,000 people including the 1,520 people employed at KMC. Almost half of those businesses started operating during the last 10 years. Health care providers in other parts of Kootenai County number 116 and employ slightly more than 700 people.
- Downtown Coeur d'Alene attracted some new businesses this summer. Railhead Ranchwear, featuring furniture hand-crafted by owner Todd Schild, will open at Fifth and Sherman in the next few weeks. The furniture gallery sells furniture, including leather, flooring, and wallpaper. At 517 Sherman Avenue, it's Christmas year round since Christmas at the Lake opened there. The store features Christmas decorations and collectibles, and also sells items for Halloween, Easter, and other holidays, depending on the season.
- Coffee Shots, a new business at 520 Best Avenue in Coeur d'Alene, offers arcade games and refreshments including coffee drinks, pizza, burgers, soups, and pastries. Owners George and Christine May want it to be a "good place for youth to hang out and feel safe."

- The U.S. Department of Agriculture Rural Development Project recently guaranteed a \$220,000 business loan for O'Malley's Sport Pub & Grill in Rathdrum so it can expand. After the expansion, O'Malley's will hire two more workers, bringing its employment to 20.
- Tim's Cut Meats recently opened in a 10,000-square-foot building at 7397 Government Way in Dalton Gardens. Owner Tim Brannen and seven employees run the butcher shop.

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# Glossary of Labor Market Terms

**Agriculture Employment:** Persons on agriculture payrolls who work or receive pay for any period during the survey week. This includes owners, operators, unpaid family members who work at least 15 hours a week, and hired laborers.

**Average Hourly Earnings/Average Weekly Hours:** The average total money earnings earned by production or non-supervisory workers for selected industries. The average number of hours worked by production or non-supervisory workers including overtime, paid vacation, and sick leave. The data is collected for the week including the 12<sup>th</sup> of the month.

**Average Weekly Earnings:** Average Hourly Earnings multiplied by Average Weekly Hours.

**Civilian Labor Force:** A count of non-institutional persons 16 years of age and over residing within a specific geographic area, excluding members of armed forces, who are classified as employed, unemployed and seeking employment, or involved in a labor dispute.

**Consumer Price Index (CPI):** A national index measuring changes over time in the price of a fixed market basket of goods and services. There are two indexes—the All Urban Consumers (CPI-U) represents the buying habits of about 80 percent of the non-institutional population of the United States, and the Urban Wage & Clerical Workers (CPI-W) represents 40 percent of the population.

**Covered Employers:** Employers who are subject to state and federal Unemployment Insurance laws.

**Durable Goods:** Also known as “hard goods” because they include items manufactured or provided by wholesalers with a normal life expectancy of three years or more.

**Employed:** Individuals, 16 years of age or older, who worked at least 1 hour for pay or profit or worked at least 15 unpaid hours in a family business during the week including the 12<sup>th</sup> day of the month. Individuals are also counted as employed if they had a job but did not work because they were: ill, on vacation, in a labor dispute, prevented from working because of bad weather, or temporarily absent for similar reasons.

**Initial Claim:** Any notice of unemployment filed to request (1) a determination of entitlement to and eligibility for compensation or (2) a second or subsequent period of unemployment within a benefit year or period of eligibility.

**Labor Market Area (LMA):** An area that consists of a central city or cities and the surrounding territory within commuting distance. It is an economically integrated geographic area within which individuals can reside and find employment without changing place of residence. Idaho has nine LMAs.

**Metropolitan Statistical Area (MSA):** An area that has either a city with a population of at least 50,000 or a Bureau of Census urbanized area of at least 50,000 and a total metropolitan area of at least 100,000. The Office of Management and Budget designates the MSAs. There are two MSAs in Idaho—Boise City (including Ada and Canyon counties) and Pocatello City (including Bannock County).

**Nonfarm Wage & Salary Employment:** Persons on nonfarm establishment payrolls (including employees on paid sick leave, paid holiday, or paid vacation) who work or receive pay for any part of the week including the 12<sup>th</sup> of the month. It is a count of jobs by place of work. It does not include self-employed, unpaid volunteer or family workers, domestic workers in households, military personnel and persons who are laid off, on leave without pay, or on strike for the entire reference period.

**Nondurable Goods:** Also known as “soft goods” because they include items manufactured or provided by wholesalers that generally last for only a short period of time (three years or less).

**Seasonally Adjusted:** Data is seasonally adjusted to remove the impact of regular events that occur at the same time every year such as the effect of cold weather on outdoor activities, the Christmas holiday, or the summer influx of youth into the labor market.

**Unemployed:** Those individuals, 16 years of age or older, who do not have a job but are available for work and actively seeking work during the week including the 12<sup>th</sup> of the month. The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days—these, too, are considered unemployed.

**Unemployment Insurance:** Unemployment Insurance is a program for the accumulation of funds paid by employers, to be used for the payment of Unemployment Insurance to workers during periods of unemployment which are beyond their control.

**Unemployment Rate:** The number of persons unemployed expressed as a percentage of the labor force.

**Weekly Benefit Amount:** The amount payable to a claimant for a compensable week of total unemployment.

**Weeks Claimed:** The number of weeks that unemployed workers claimed Unemployment Insurance benefits.

**Weeks Compensated:** The number of weeks for which compensation was actually paid.